



Canadian Tire Corporation, Limited

2023 Annual Information Form

February 14, 2024

2023 Annual Information Form

Canadian Tire Corporation, Limited

Table of Contents

1	CORPORATE STRUCTURE	2
2	DESCRIPTION OF BUSINESS	3
	2.1 Retail Segment	4
	2.2 Financial Services Segment	14
	2.3 CT REIT Segment	15
	2.4 Intangible Properties	16
	2.5 Economic Dependence	17
	2.6 Risks and Risk Management	18
	2.7 Employees	18
	2.8 Environmental, Social and Governance Matters	19
3	GENERAL DEVELOPMENT OF THE BUSINESS	20
	3.1 2023 General Development of the Business	20
	3.2 2022 General Development of the Business	22
	3.3 2021 General Development of the Business	23
4	CAPITAL STRUCTURE	24
	4.1 Equity Securities	24
	4.2 Market for Equity Securities	25
	4.3 Normal Course Issuer Bid	26
	4.4 Debt Securities	26
5	DIVIDENDS	27
6	SECURITY RATINGS	27
7	TRANSFER AGENTS AND REGISTRAR	29
8	DIRECTORS AND OFFICERS	29
	8.1 Members of the Board of Directors	29
	8.2 Executive Officers	32
	8.3 Securities Held	33
	8.4 Conflicts of Interest	33
9	INTERESTS OF EXPERTS	33
10	LEGAL PROCEEDINGS AND REGULATORY ACTIONS	34
11	ADDITIONAL INFORMATION	34
12	FORWARD-LOOKING INFORMATION	34
	SCHEDULE A – AUDIT COMMITTEE MANDATE	A1

ANNUAL INFORMATION FORM CANADIAN TIRE CORPORATION, LIMITED

In this document, the terms “Company” and “CTC” refer to Canadian Tire Corporation, Limited, its predecessor corporations and all entities controlled by it and their collective businesses, unless the context otherwise requires.

“Canadian Tire” refers to the general merchandise retail and services business carried on under the Canadian Tire name and trademarks.

“Canadian Tire Retail” and “CTR” refer to the general merchandise retail and services businesses carried on under the Canadian Tire, PartSource, Pro Hockey Life and Party City names and trademarks.

“CTB” and the “Bank” refer to Canadian Tire Bank, a subsidiary of CTFS Holdings.

“CTFS Bermuda” refers to CTFS Bermuda Ltd., a subsidiary of CTFS Holdings.

“CTFS Holdings” refers to CTFS Holdings Limited.

“CT REIT” refers to CT Real Estate Investment Trust and its subsidiaries, including CT REIT LP.

“CT REIT LP” refers to CT REIT Limited Partnership, a subsidiary of CT REIT.

“Helly Hansen” refers to the international wholesale and retail businesses carried on under the Helly Hansen and Musto names and trademarks.

“Mark’s” refers to the retail and commercial wholesale businesses carried on by Mark’s Work Wearhouse Ltd. under the Mark’s, L’Équipeur, Mark’s WorkPro, and L’Équipeur Pro names and trademarks.

“Party City” refers to the party supply business carried on under the Party City name and trademarks in Canada.

“Petroleum” refers to the retail petroleum business carried on under the Canadian Tire Gas+ name and trademarks.

“SportChek” refers to the retail businesses carried on by FGL Sports Ltd. under the SportChek, Sports Experts, Atmosphere, Sports Rousseau and Hockey Experts names and trademarks, unless the context requires otherwise.

Other terms that are capitalized in this document are defined the first time they are used.

Unless otherwise specified herein, the information in this Annual Information Form is presented as at December 30, 2023 (the last day of CTC’s most recently completed financial year) and all dollar amounts are expressed in Canadian dollars. Certain portions of this Annual Information Form reference the Company’s Management’s Discussion and Analysis for the fourth quarter and full-year ended December 30, 2023 (“Annual MD&A”) and Annual Consolidated Financial Statements for the year ended December 30, 2023 (“Annual Financial Statements”), which are available on the System for Electronic Document Analysis and Retrieval + (“SEDAR+”) at <https://sedarplus.ca> and on the Company’s website at <https://corp.canadiantire.ca>, and are incorporated by reference herein.

This Annual Information Form contains information that may constitute forward-looking information within the meaning of applicable securities laws. Forward-looking information provides insights regarding management’s current expectations and plans, and allows investors and others to better understand the Company’s anticipated financial position, results of operations and operating environment. Readers are cautioned that such information may not be appropriate for other purposes. Although the Company believes that the forward-looking information in this Annual Information Form is based on information, assumptions

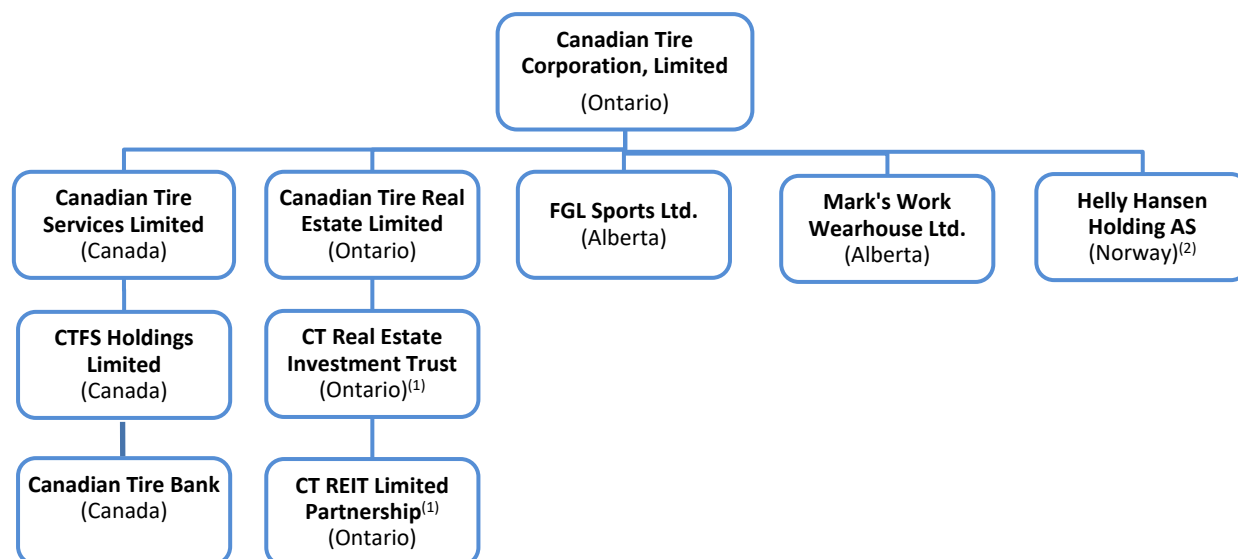
and beliefs that are current, reasonable and complete, such information is necessarily subject to a number of business, economic, competitive and other risk factors that could cause actual results to differ materially from management's expectations and plans as set forth in such forward-looking information. The Company cannot provide assurance that any plans, aspirations, forecasts or future financial or operating performance will actually be achieved or, if achieved, will result in an increase in the Company's share price. For a more detailed discussion of the Company's use of forward-looking information, see section 12 entitled "Forward-Looking Information".

This document contains trade names, trade marks and service marks of CTC and other organizations, all of which are the property of their respective owners. Solely for convenience, the trade names, trade marks and service marks referred to herein appear without the ® or ™ symbol.

1 Corporate Structure

Canadian Tire Corporation, Limited was incorporated under the laws of Ontario by letters patent dated December 1, 1927, and is governed by the *Business Corporations Act* (Ontario). CTC was amalgamated with four of its wholly owned subsidiaries pursuant to Articles of Amalgamation, effective January 1, 1980. CTC's articles were subsequently amended, effective December 15, 1983, to reorganize the capital structure of CTC, among other things.

The principal, registered and head office of CTC is located at 2180 Yonge Street, P.O. Box 770, Station K, Toronto, Ontario, M4P 2V8. CTC's corporate website address is <https://corp.canadiantire.ca>. Set out below are the principal legal entities through which CTC conducts its businesses and their applicable governing corporate jurisdictions. Except as described below, CTC beneficially owns, or controls or directs, directly or indirectly, 100% of the voting securities of each entity:



1 The Company indirectly beneficially owns, or controls or directs 68.4% of the voting securities of CT REIT through its ownership of 33,989,508 Units of CT REIT and all of the issued and outstanding Class B Limited Partnership Units of CT REIT LP, which are accompanied by one Special Voting Unit of CT REIT and are economically equivalent to, and exchangeable for, Units of CT REIT. CTC also owns all of the issued and outstanding non-voting Class C Limited Partnership Units of CT REIT LP. CT REIT wholly owns the general partner of CT REIT LP, CT REIT GP Corp., and all of the issued and outstanding Class A Limited Partnership Units of CT REIT LP, which represent the voting securities of CT REIT LP.

2 Helly Hansen Holding AS, which owns Helly Hansen, is indirectly owned by CTC through its wholly owned subsidiary, CTC Triangle B.V., a company incorporated pursuant to the laws of the Netherlands.

2 Description of the Business

For over a century, the Company has been guided by the innovative and entrepreneurial spirit of its founders. Starting from a single garage established by A.J. and J.W. Billes in 1922, CTC has grown to one of the country's most recognized brands and group of companies, ensuring Canadians have access to the products, services and support they need for life in Canada.

Today, the Company operates one of the largest retail networks in Canada, with over 1,400 retail stores, one of the country's largest loyalty programs, Triangle Rewards, with 11.4 million active members, and a credit card portfolio with 2.4 million active credit cardholders. The Company also holds a majority interest in CT REIT, which owns and operates an extensive commercial real estate portfolio, representing approximately 30.8 million square feet of gross leasable area ("GLA") across all ten provinces and in two territories across Canada.

CTC Brand Purpose and Strategy

CTC's Brand Purpose, *We Are Here to Make Life in Canada Better*, informs all decisions the Company makes, including with respect to its strategy.

CTC's *Better Connected* strategy is focused on modernizing the customer experience, better connecting customers across all banners, increasing engagement with the Company's Triangle brand and ultimately, driving long-term growth and operational performance. The strategy builds upon the Company's unparalleled brand trust and Brand Purpose.

The strategic direction is supported by the five strategic pillars described below, each of which informs the Company's strategic initiatives and investment decisions:

1. Customer: creating valuable relationships through the Company's Triangle Rewards program
2. Experience: delivering Canada's best omnichannel experience through store and digital channels
3. Product: designing and delivering world-class products
4. Community: furthering the Company's positive impact on Canada through strong community, sustainability and diversity efforts
5. People & Enablers: changing the way the Company works to develop its people, capabilities, and systems to deliver its strategic objectives

In conjunction with the strategy, CTC has made significant investments to create better customer experiences and deeper customer connections, enhance the omnichannel customer experience by further connecting digital and physical channels and rolling out a new "Concept Connect" format to 20 Canadian Tire stores, strengthen supply chain fulfillment infrastructure and automation, modernize IT infrastructure, and drive efficiency in how CTC operates. The focus on investing in the business is coupled with a balanced approach to capital allocation, which positions CTC to continue to generate attractive returns for its shareholders. For additional information with respect to the Company's strategy and investments, see section 4.0 entitled "Company Strategy" of the Annual MD&A.

CTC Segments

CTC operates through three reportable segments – the Retail segment, the Financial Services segment, and the CT REIT segment.

The Retail segment, which includes Canadian Tire, SportChek, Mark's, PartSource, Helly Hansen, Party City and Petroleum, is a network of more than 1,400 retail stores and more than 280 gas bars across Canada.

The Financial Services segment comprises the wholly-owned operating subsidiaries of CTFS Holdings (CTB and CTFS Bermuda), through which CTFS Holdings provides financial and other ancillary products and services, including credit cards.

The CT REIT segment reflects CTC's majority interest in CT REIT, an unincorporated, closed-end real estate investment trust which owns, manages and develops income-producing commercial properties located in all ten provinces and in two territories across Canada, with CTC as its most significant tenant.

Further details on each of CTC's three reportable sections are described below.

2.1 Retail Segment

The retail businesses offer customers a breadth of differentiated and innovative products and services through convenient in-store and online shopping experiences. The Company's customer loyalty program, Triangle Rewards, connects CTC's Canadian retail banners, driving customer engagement through the collection and redemption of rewards, as well as personalized offers.

Canadian Tire Retail

Canadian Tire Retail represents the Canadian Tire, PartSource, Party City and Pro Hockey Life banners.

Banners

Canadian Tire is one of the country's most recognized general merchandise retailers, easily identified by the Canadian Tire name and trademark. Through a network of 502 stores across the country as well as its digital channels, Canadian Tire provides Canadians with access to the country's largest breadth of national and owned brand products – more than 186,000 products in 205 product categories across five divisions – Automotive, Fixing, Living, Playing, and Seasonal & Gardening. Substantially all Canadian Tire stores also provide a variety of automotive services. Among the well-known owned brands carried at Canadian Tire are Canvas, For Living, Motomaster, Mastercraft, Noma, and Paderno.

PartSource is a specialty automotive parts chain with 80 Canadian retail stores owned and operated by CTC that provides access to unique automotive parts and products. Its stores are staffed by automotive experts and cater to serious "do-it-yourselfers" and professional installers. PartSource stores also offer a broad selection of automotive parts and maintenance accessories to Canadian Tire stores, other retailers and commercial customers.

Party City is a leading, one-stop shopping destination for party supplies with 65 Canadian retail stores operated by Canadian Tire Associate Dealers. An assortment of Party City products is also available at Canadian Tire stores.

Pro Hockey Life is a specialty retailer with 16 Canadian retail stores owned and operated by CTC that sells an assortment of high-end hockey products.

Divisions

The products and services offered by Canadian Tire, PartSource, Party City and Pro Hockey Life are categorized and/or managed under the following divisions, as applicable:

The **Automotive** division is responsible for automotive products and services, including automotive maintenance products and accessories, parts and tires, as well as automotive services such as oil changes, tire installations and repairs. Canadian Tire stores house over 5,600 automotive service bays. Canadian Tire also offers a roadside assistance membership program covering over 188,000 members in all 10 provinces and in two territories.

The **Fixing** division includes electrical, hardware, home environment, paint, plumbing, and tool products.

The **Living** division includes cleaning, food & drink, home décor, home essentials, home organization, kitchen, and pet care products.

The **Playing** division includes camping, exercise, hockey, hunting, fishing, seasonal recreation, and team sports & golf products.

The **Seasonal & Gardening** division includes backyard living, backyard fun, cycling, gardening, outdoor tools, seasonal, and toy products.

CTC employs category business management teams (or merchants) to build compelling, seasonally relevant assortments through category reviews, continuous refinement of product selections and the introduction of new, innovative and often exclusive brands and product assortments.

Store Network

As at the end of 2023, the number of Canadian Tire Retail stores by banner and applicable province and territory in Canada was as follows:

Province or Territory	Canadian Tire	PartSource	Party City	Pro Hockey Life
British Columbia	53	1	9	1
Alberta	58	14	10	4
Saskatchewan	16	5	3	-
Manitoba	15	5	-	1
Ontario	202	52	38	9
Quebec	100	-	-	-
New Brunswick	19	-	2	-
Nova Scotia	22	3	2	1
Prince Edward Island	2	-	-	-
Newfoundland and Labrador	13	-	1	-
Yukon	1	-	-	-
Northwest Territories	1	-	-	-
Total	502	80	65	16

Canadian Tire stores range in size from approximately 3,200 to 136,000 retail square feet. As at the end of 2023, total retail square footage was 22.9 million retail square feet across 502 stores. In support of the *Better Connected* strategy, the Company is continuing to invest in the Canadian Tire store network, with 45 store refreshments, expansions and replacements in 2023.

Generally, the premises on which Canadian Tire stores are located are owned by the Company, or leased to the Company by CT REIT or third-party landlords. Of the 502 stores, 332 stores are located on properties owned by CT REIT and leased to the Company, 38 are located on properties owned by the Company and the remaining 132 are located on properties leased to the Company by third parties.

Canadian Tire Dealers – Canadian Tire’s 502 stores are operated by independent third parties, known as Associate Dealers (“Dealers”). Each Dealer owns the fixtures, equipment, and inventory of the store they operate, employs the store staff and is responsible for the store’s operating expenses. Generally, the premises on which the Canadian Tire stores are located are owned or leased by CTC and licensed to individual Dealers. CTC’s relationship with each Dealer is governed by an individual Dealer contract pursuant to which the Dealer agrees to operate the retail business of a Canadian Tire store under the Canadian Tire name and to use best efforts to manage their Canadian Tire store at its maximum capacity and efficiency. Individual Dealer contracts are in a standard form, each of which generally expires on December 31, 2029. Each Dealer agrees to comply with prescribed policies, marketing plans and operating

standards, which among other things, include purchasing merchandise primarily from CTC, while maintaining the decision-making behind customizing their local assortments, and offering merchandise for sale to consumers at prices not exceeding those set by the Company.

CTC performs a variety of functions to support the Dealers, including category business management, marketing, and product curation and distribution. The curation process includes product and brand selection, as well as purchasing, pricing and marketing. CTC also supports Dealers with administrative, financial, and IT services, as well as operational support, which includes programs to improve the in-store customer experience, retail concept implementation, monitoring of operational and financial performance, and managing Dealer mobility and changeover. CTC also provides Dealers with access to Franchise Trust, a program offering financing to Dealers for their store operations. For information concerning Franchise Trust, see note 9 entitled “Loans Receivable” of the notes to the Annual Financial Statements.

Competitive Conditions – The relationship the Company has with the Dealers is a key differentiator in understanding local needs in communities across Canada. CTR competes with international and national, as well as regional retailers. Among its competitors are omnichannel, online-only and brick-and-mortar retailers, including discount and warehouse stores, mass merchandisers, and specialty retailers. CTR is a leading market player in many of its categories. While the vast majority of CTR’s sales continue to come from its brick-and-mortar channel, digital channels play an increasingly important role in customers’ shopping experiences, with banners, including Canadian Tire, offering in-store pick-up as well as ship-to-home order fulfilment. In-store pick-up is facilitated through one of the country’s most extensive deployments of self-serve lockers.

SportChek

SportChek operates a group of sporting goods and activewear retailers in Canada under various banners, including SportChek, Sports Experts and Atmosphere.

The banners offer an extensive range of active apparel and sporting goods at various price points that appeal to a broad range of consumers looking to lead a healthy, active lifestyle. The comprehensive assortment includes both national and owned brands. The Company’s highly competitive owned brands portfolio includes brands such as Diamondback, Forward With Design (FWD), Helly Hansen, Ripzone, Sherwood, and Woods. The banners offer online retailing through their websites with online order fulfilment through in-store pick-up and ship-to-home.

Corporate Store Operations – Corporate-owned retail stores operate under the SportChek and Atmosphere banners.

- SportChek is a leading national retailer offering a wide assortment of athletic, outdoor, leisure and recreational footwear, apparel and accessories, along with sports equipment and wellness products.
- Atmosphere is a specialty retailer offering high-end outdoor technical gear, outerwear, footwear and accessories, with both national and owned brand representation.

As at the end of 2023, the number of SportChek and Atmosphere corporate stores by applicable province in Canada was as follows:

Province	SportChek	Atmosphere
British Columbia	32	8
Alberta	32	7
Saskatchewan	11	2
Manitoba	8	-
Ontario	85	-
New Brunswick	5	-
Nova Scotia	11	-
Prince Edward Island	2	-
Newfoundland and Labrador	6	-
Total	192	17

The corporate-owned retail banners offer the full assortment and extended aisle products through their websites.

Franchise Operations – SportChek also operates a franchise division for a number of its retail banners, including Sports Experts, Atmosphere, and Le Trio Hockey, which operates as Hockey Experts and Sports Rousseau/L'Entrepôt du Hockey.

- Sports Experts is the largest sporting goods retailer in Quebec, offering a broad assortment of national and owned brand products, including equipment, apparel, footwear and accessories.
- Atmosphere, which operates as a corporate-owned banner in other provinces, is a franchise operation in Quebec.
- Le Trio Hockey specializes in hockey equipment, apparel and accessories.

In addition to the franchisee-operated stores, there are several third-party operated stores that have buying member status in SportChek's franchise program with access to products for their businesses. These buying members typically undertake their own merchandising, purchasing, advertising, transportation and general administration.

As at the end of 2023, the number of SportChek franchise stores by applicable province and territory in Canada was as follows:

Province or Territory	Sports Experts	Atmosphere	Hockey Experts	Sports Rousseau/ L'Entrepôt du Hockey
British Columbia	2	-	-	-
Alberta	3	-	-	-
Ontario	1	-	-	-
Quebec	82	44	10	16
New Brunswick	4	-	-	-
Newfoundland and Labrador	-	-	-	-
Yukon	1	-	-	-
Total	93	44	10	16

Stores operated under the SportChek banners are primarily leased from third parties.

Competitive Conditions – The sporting goods retail industry in Canada is highly fragmented and includes specialty retailers, mass merchants and online retailers, as well as discount and outlet channels. Competitive differentiators include price, quality, service, selection and fashion, as well as online presence and store location and environment. SportChek is distinguished from its competitors through the broad geographic coverage provided by its corporate and franchise stores in Canada and the merchandise and brands it offers, which includes owned brands. Its banners' websites and order fulfillment options also allow it to compete against online-only retailers and national brands selling directly to consumers.

Mark's

Mark's is one of Canada's largest casual and industrial apparel and footwear omnichannel retailers, known for offering quality and innovative products under owned and national brands. The store network consists of corporate-owned stores, including industrial-exclusive stores branded "Mark's WorkPro", and franchise stores. Owned brands carried at Mark's include Dakota WorkPro, Denver Hayes, Helly Hansen and WindRiver. These brands are complemented by nationally recognized brands such as Carhartt, Columbia, Levi's, Silver, Skechers and Timberland. Mark's is continually developing and introducing new products utilizing innovative technologies intended to keep Canadians warmer, drier, safer and more comfortable. Mark's operates under the names "L'Équipeur" and "L'Équipeur Pro" in Quebec. Mark's offers online retailing through its websites with online order fulfilment through in-store pick-up and ship-to-home.

As at the end of 2023, the number of Mark's corporate and franchise stores by applicable province and territory in Canada was as follows:

Province or Territory	Corporate stores	Franchise stores
British Columbia	51	9
Alberta	65*	1
Saskatchewan	14	2
Manitoba	13	-
Ontario	131*	7
Quebec	40*	8
New Brunswick	13	-
Nova Scotia	15	-
Prince Edward Island	2	-
Newfoundland and Labrador	5	2
Yukon	1	-
Northwest Territories	1	-
Total	351	29

* In 2023, four Mark's WorkPro / L'Équipeur Pro stores were opened in Alberta, Ontario, and Quebec.

Mark's franchise stores are primarily leased from third parties, while corporate stores consist of a mix of owned properties and third-party leases.

Mark's Commercial – Mark's also conducts a business-to-business operation under the name "Mark's Commercial", selling footwear, apparel and personal protective equipment to businesses with a focus on employee safety and workwear needs.

Competitive Conditions – Mark's is a leading market player in workwear apparel and safety footwear in Canada and has strong offerings in men's casual apparel, denim and footwear. Mark's competes against

omnichannel, brick-and-mortar and online-only retailers, including mass merchants, department stores, national brands which sell directly to consumers, discount stores and other specialty apparel stores.

Helly Hansen

Helly Hansen is a leading global brand, based in Oslo, Norway, with an international wholesale and retail business in outerwear, base-layer, and workwear.

Founded in 1877, Helly Hansen is known for its professional grade gear and for being a leader in designing innovative and high-quality technical performance products developed for the harshest outdoor conditions. Within its core categories of sailing, skiing, mountain, urban, base-layer and workwear, Helly Hansen designs and delivers products used by professionals and outdoor enthusiasts around the world to help people stay and feel alive. For nearly 150 years, Helly Hansen has been developing and testing technologies with the input of professionals living and working in some of the world's toughest environments.

Helly Hansen also owns the Musto brand, which is a leader in specialized technical apparel in the sailing, country, lifestyle and adventure categories.

Helly Hansen products are sold in more than 40 countries, including in core markets such as Norway, Sweden, Canada, the United Kingdom, and the United States, with 54 Helly Hansen and Musto retail and outlet stores owned and operated by Helly Hansen, including 16 stores in North America.

Wholesale and Retail Operations – Helly Hansen sells sportswear and workwear products through wholesale channels as well as retail channels. Helly Hansen's wholesale channels consist of specialty sporting goods, workwear and department store retailers. In addition, Helly Hansen operates branded retail stores and outlets, mainly in Europe, with the primary purpose of promoting its brands in support of its wholesale business. Helly Hansen also operates branded sportswear and workwear websites in various regions, including across Europe, Canada, and the United States.

Competitive Conditions – Helly Hansen competes with other specialty brands. The outdoor sports apparel and footwear market is fragmented and composed of large global brands, mid-sized companies, and numerous niche players. Helly Hansen distinguishes itself from its competitors through technically advanced products, innovation, professional quality, brand authenticity and a reach that spans wholesale partners, retail locations and websites. Helly Hansen also competes in the industrial workwear market, which is highly fragmented with a limited number of international brands due to different climates and regulations across regions. Within this market, Helly Hansen competes primarily against European and North American brands that offer premium, functional, and stylish protective wear.

Petroleum

Petroleum is one of Canada's largest independent retailers of gasoline with 281 retail gas bars and associated convenience stores, of which 151 are located adjacent to Canadian Tire stores and 21 are located at ONroute rest stops along major Ontario highways (Highway 401 and 400). Car washes are also operated at 85 of the gas bars. The gas bars are operated under the Canadian Tire Gas+ name by independent retailers pursuant to agreements governing the sale of petroleum products. A number of the gas bars are located on properties owned by CTC, with the majority of the gas bars, including the ONroute sites, located on leased properties. There are also 129 CTC locations with electric vehicle ("EV") charging stations located at the retail gas bars, including at select ONroute locations, or at Canadian Tire stores.

As at the end of 2023, the number of Canadian Tire Gas+ gas bars and EV charging stations by applicable province in Canada was as follows:

Province	Canadian Tire Gas+ gas bars	CTC locations with EV charging stations
British Columbia	4	14
Alberta	19	8
Saskatchewan	6	11
Manitoba	6	5
Ontario	164	83
Quebec	48	6
New Brunswick	15	-
Nova Scotia	9	-
Newfoundland and Labrador	10	-
Prince Edward Island	-	2
Total	281	129

During the year, the Company entered into a strategic partnership with Petro-Canada, a business owned by Suncor Energy Inc., which aims to drive additional value for CTC's Triangle Rewards and Petro-Canada's Petro-Points loyalty programs by allowing members of each program to earn points at both companies' gas stations upon launch in 2024. The partnership also establishes a competitive fuel source for CTC, with Suncor to become the Company's primary fuel provider over time, and will see over 200 of the Company's Canadian Tire Gas+ gas bars rebranded into Petro-Canada stations while maintaining CTC ownership.

Competitive Conditions – Petroleum sources its fuel at competitive prices. It competes with other national and regional operators of gas bars, convenience stores and car washes. Similar to other independent retailers in the industry, Petroleum is exposed to a number of risks in the normal course of its business that have the potential to affect its operating performance, including those relating to the availability and pricing of fuel.

Digital Channels and Customer Engagement

CTC remains committed to investing to offer customers a choice of how to shop at the Company's banners. While customers today more often transact in-store at the Company's more than 1,400 retail store locations, their shopping journeys often begin through websites or mobile applications.

The Company's One Digital Platform, CTC's cloud-based website platform, which was launched at Canadian Tire in 2022 and at SportChek, Mark's, and Party City in 2023, provides a fast, consistent, personalized and reliable online shopping experience and mobile application. In addition to enabling integrated search, checkout and fulfillment functions, the cloud-based solution also enhances site stability and facilitates higher transaction volumes.

Canadian Tire's mobile application enhances the in-store customer experience. It is integrated with the Triangle Rewards program and is equipped with in-store functionality including links to in-store electronic shelf labels to offer differentiated assistance to customers with locating items, and provides opportunities for in-store eCTM redemption and scanning of QR codes.

The Company also offers a variety of fulfillment options for those transacting online, including in-store pick-up and ship-to-home (including same-day delivery) across its banners.

Roller Labs Ventures

CTC's Roller Labs Ventures is an innovation program allowing CTC to invest in primarily Canadian start-up and early-stage companies, independently or in partnership with Canadian venture capital partners. These investments are based on defined investment and governance criteria, and enable such companies to grow, commercialize their solutions, and compete both domestically and globally. This program also presents an opportunity for CTC to bring digital improvements to its business and accelerate its strategic capabilities in areas such as customer insights and experience, product innovation and operational efficiency. Roller Labs Ventures has investments in the Inovia Discovery Fund I, a venture platform supporting emerging managers and their portfolio companies across Canada, an artificial intelligence company, Sanctuary Cognitive Systems Corporation, and a user-generated content licensing platform, Catch & Release.

Owned Brands

Owned brands provide the Company with a competitive advantage and a core differentiator in its product assortment, which increases customer engagement and loyalty. CTC's expertise in brand management, product development and design has contributed to the successful execution of owned brand strategies. The Company is continuously focused on strengthening its owned brand portfolio through internal product development as well as selectively pursuing acquisitions to complement key categories.

The Company's most recognized owned brands include Canvas, Dakota, Denver Hayes, Diamondback, For Living, Mastercraft, Motomaster, Noma, Outbound, Paderno, Raleigh, Ripzone, Sherwood, WindRiver and Woods, which are primarily sold at the Company's banners. The Company also owns Helly Hansen, a leading global brand with an international wholesale and retail business in outerwear, base layer and workwear, based in Oslo, Norway.

Triangle Rewards

The Company's customer loyalty program, Triangle Rewards, is a platform for engaging with CTC customers and providing them with a connected shopping experience. Triangle Rewards offers an enhanced value proposition to members, enabling them to collect and redeem eCTM, subject to certain exceptions, across most of CTC's Canadian retail banners. Triangle-branded credit cards offered through CTB are also an integral part of the program, allowing cardholders to collect eCTM, at an accelerated rate across CTC's Canadian retail banners, and collect eCTM on eligible purchases where Mastercard is accepted. For additional information on CTB's credit card business, see section 2.2 entitled "Financial Services Segment".

Triangle Rewards is a key enabler of sustained cross-banner customer engagement and personalized marketing. The Company's continued focus on data and analytics enhances its capability, through the Triangle Rewards program, to provide marketing communications to create enhanced customer relevance and engagement. Triangle Rewards also provides valuable customer insights to help build retail strategies, inform product assortments and services, and identify the opportunity to selectively partner with Canadian retailers and brands to bring enhanced value and offers to Triangle Rewards members. The Company's strategic partnership with Petro-Canada will deliver additional value for members of CTC's Triangle Rewards and Petro-Canada's Petro-Points loyalty programs by allowing them to earn points at both companies' gas stations upon launch in 2024.

To further enhance the Triangle Rewards program, Triangle Select was launched nationally during the year as an accelerator product to deliver enhanced value to customers. Triangle Select is an annual fee-based subscription program through which Triangle Rewards members earn eCTM on eligible purchases in-store at Canadian Tire, Sport Chek, and Mark's, offering stackable, bonus eCTM.

Retail Sourcing

CTC sources merchandise globally. In 2023, approximately 51%, 22% and 35% of the value of inventory purchases of Canadian Tire Retail, SportChek and Mark's, respectively, were sourced directly from vendors outside Canada, primarily from Asia and denominated in U.S. dollars. The majority of Helly Hansen's purchases are from vendors in Asia and are denominated in U.S. dollars and Euros.

CTC operates retail sourcing offices abroad, including in Bangladesh, Hong Kong, Shanghai and Shenzhen. CTC is also supported by third-party sourcing service providers in India and Mexico. These operations provide access to foreign manufacturers and import sourcing support.

CTC uses its own internal resources and third-party logistics providers to manage supply chain technology and the movement of foreign-sourced goods from suppliers to distribution centres and stores.

Similar to other retailers which source products internationally, the Retail segment is exposed to risks associated with foreign suppliers which may include, but are not limited to, currency fluctuations, the stability and safety of manufacturing operations in other countries and transportation and port disruptions. The Company uses internal resources and third-party quality assurance providers to proactively manage product quality and business conduct with vendors in foreign sourcing regions and proactively seeks out alternative sourcing methods.

The Company's Supplier Code of Business Conduct (the "Supplier Code") sets out the social compliance principles and practices of ethical business conduct that CTC expects of its suppliers of goods and services. The Supplier Code addresses bribery, child labour, forced labour, discrimination, freedom of association, wages and benefits, working hours, health and safety and disciplinary actions. CTC mitigates social compliance risk through a combination of ensuring all suppliers have acknowledged and agreed to abide by the expectations set out in the Supplier Code and periodic assessments of suppliers' facilities against globally recognized audit standards such as the Business Social Compliance Initiative audit standard. CTC reviews all factory audit findings and, where circumstances warrant, works with suppliers on corrective action plans. CTC reserves the right to terminate its business relationship with any supplier that fails to implement corrective actions or refuses to comply with the Supplier Code.

Retail Supply Chain and Distribution Network

CTC's supply chain function is responsible for managing the flow of products between suppliers, supply chain partners and CTC's distribution centres and retail stores operating across Canada. It is also responsible for online order fulfillment, which is performed out of both stores and distribution centres that are supported by sophisticated technologies (including distributed order management, carrier selection optimization and geo-fencing) to facilitate timely and cost-effective shipments.

CTC's supply chain uses several distribution channels, facilities and modes of transportation, including third-party transportation and logistics providers, and railway transit, and is involved in most aspects of product replenishment and product information flow.

Most of CTC's products are distributed to stores from its large network of 15 distribution centres which occupy more than 11 million square feet of warehouse space across Canada and are operated by either CTC or a third party. Selected products are distributed directly from suppliers.

As at the end of 2023, the Company's distribution centres across Canada were as follows:

Province	Location	Area (Sq. ft.)	Servicing
Alberta	Calgary - 114th Avenue SE	954,813	CTR
	Calgary - 64th Street SE	24,343	Mark's
	Calgary - 68th Avenue SE	454,977	SportChek / Mark's
	Calgary - 72nd Avenue SE	498,618	CTR / SportChek
	Calgary - Dufferin Place	630,067	CTR
Ontario	Brampton - Airport Road	1,118,360	CTR
	Brampton - Goreway Drive	1,148,972	CTR
	Brampton - Hereford Street	195,230	CTR
	Brampton - Steeles Ave East	1,424,108	CTR
	Brampton - Hurontario Street	1,298,614	SportChek / Mark's
	Caledon - Healey Road	1,422,351	CTR
	Mississauga - Marcove Road	475,517	CTR / SportChek
	Mississauga - Millrace Court	27,192	Mark's
	Vaughan - Express Auto Parts	224,190	CTR
Quebec	Coteau-du-Lac - Dupont	1,980,165	CTR
Total		11,877,517	

The Company continues to expand its distribution centre capacity, with projects planned or under construction, including a new 350,000 square foot facility in Calgary, Alberta, and a new 385,000 square foot facility in Richmond, British Columbia.

In addition to the Canadian distribution network, the Company operates two international distribution centres in Sumner, Washington and Born, Netherlands, which service Helly Hansen. These distribution centres represent over 400,000 square feet of warehouse space. The Company also holds a 25% interest in Ashcroft Terminal Ltd., which operates a 320-acre transload and storage terminal in inland British Columbia, providing the Company with cross-Canadian rail access from the terminal in support of its supply chain operations.

During the year, the Company was impacted by a fire on March 15, 2023, at its A.J. Billes Distribution Centre (Brampton - Goreway Drive). The distribution centre returned to full operational shipment capacity during the second quarter. For additional information, see section 3.1 entitled "2023 General Development of the Business".

Seasonality of the Retail Segment

Quarterly Retail revenue is affected by seasonality. The fourth quarter typically generates the greatest contribution to revenue, and the first quarter the least. For information on the Retail segment's seasonality risk, see section 11.2.1 entitled "Retail Segment Business Risks" in the Annual MD&A.

The following table illustrates the quarterly revenue performance within the Retail segment over the last two years.

(C\$ in millions)	2023					2022				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Canadian Tire Retail										
Revenue	\$1,931.7	\$2,394.0	\$2,201.0	\$2,172.6	\$8,699.3	\$2,147.2	\$2,420.7	\$2,179.7	\$2,900.3	\$9,647.9
% of full year Revenue	22.2%	27.5%	25.3%	25.0%	100.0%	22.3%	25.1%	22.6%	30.1%	100.0%
SportChek										
Revenue	\$420.8	\$461.0	\$518.3	\$552.2	\$1,952.3	\$408.8	\$476.1	\$576.4	\$637.9	\$2,099.2
% of full year Revenue	21.6%	23.6%	26.5%	28.3%	100.0%	19.5%	22.7%	27.5%	30.4%	100.0%
Mark's										
Revenue	\$294.0	\$353.9	\$322.4	\$561.7	\$1,532.0	\$277.2	\$350.9	\$324.9	\$608.2	\$1,561.2
% of full year Revenue	19.2%	23.1%	21.0%	36.7%	100.0%	17.8%	22.5%	20.8%	39.0%	100.0%
Helly Hansen										
Revenue	\$208.4	\$135.6	\$219.2	\$274.0	\$837.2	\$169.6	\$139.6	\$170.9	\$301.8	\$781.9
% of full year Revenue	24.9%	16.2%	26.2%	32.7%	100.0%	21.7%	17.9%	21.9%	38.6%	100.0%
Petroleum										
Revenue	\$481.4	\$549.0	\$597.6	\$503.0	\$2,131.0	\$498.4	\$679.5	\$614.6	\$549.0	\$2,341.5
% of full year Revenue	22.6%	25.8%	28.0%	23.6%	100.0%	21.3%	29.0%	26.2%	23.4%	100.0%
Retail segment										
Revenue	\$3,337.9	\$3,896.1	\$3,867.3	\$4,070.0	\$15,171.3	\$3,504.5	\$4,067.2	\$3,873.7	\$4,990.9	\$16,436.3
% of full year Revenue	22.0%	25.7%	25.5%	26.8%	100.0%	21.3%	24.7%	23.6%	30.4%	100.0%

¹ Revenue reported for Canadian Tire Retail, SportChek, Mark's and Petroleum include inter-segment revenue. Helly Hansen revenue represents external revenue only. Therefore, in aggregate, revenue for Canadian Tire Retail, SportChek, Mark's, Petroleum, and Helly Hansen will not equal total revenue for the Retail segment.

2.2 Financial Services Segment

Financial Services is primarily involved in issuing Triangle-branded consumer credit cards, which are an integral part of the Triangle Rewards program. Financial Services also offers in-store financing to consumers, insurance products, and retail and broker deposits. In addition, Financial Services provides settlement services to CTC and its affiliates and marketing and customer analytics support services to CTC.

On October 31, 2023, the Company announced that it had completed the repurchase of the 20% interest in CTFS Holdings held by The Bank of Nova Scotia ("Scotiabank"), restoring CTC's full ownership of its Financial Services business. Concurrently with the transaction, the Company announced its intention to evaluate strategic alternatives for its Financial Services business. CTFS Holdings is the holding company of the operating entities comprising the Financial Services segment (Canadian Tire Bank and CTFS Bermuda).

CTB is a federally regulated Schedule I bank that is the marketer and issuer of Triangle-branded consumer credit cards, including the Triangle Mastercard and Triangle World Elite Mastercard, as well as the Gas

Advantage Mastercard and Cash Advantage Mastercard. CTB acquires new accounts across CTC's retail banners, accelerating the issuance of the Company's loyalty currency, eCTM, to its most loyal customers.

CTB is also a deposit-taking institution, offering high interest savings accounts and guaranteed investment certificates ("GICs"), both within and outside tax-free savings accounts, and marketing GICs through third-party brokers.

Lending – CTB grants credit to its customers on Triangle-branded and other CTC-branded credit cards. With the granting of such credit, CTB assumes certain risks with respect to the ability and willingness of its customers to repay debt. CTB manages this risk in an effort to optimize profitability and has established comprehensive policies and sophisticated systems and processes, including credit-scoring models, to manage credit risk. CTB constantly monitors the creditworthiness of customers by using proprietary and third-party credit information to make informed credit decisions for each customer account to limit credit risk exposure, adopting technology to improve the effectiveness of the collection process, and monitoring the macroeconomic environment, especially with respect to consumer debt levels, interest rates, inflation, employment levels and income levels.

Securitization of Receivables – CTB sells undivided co-ownership interests in a revolving pool of CTB credit card receivables to Glacier Credit Card Trust ("GCCT"), a special purpose entity that was created to buy and finance such co-ownership interests. GCCT issues debt to third-party investors to fund its purchases of such co-ownership interests. CTC has determined that, from an accounting perspective, it has the ability to direct the relevant activities and returns of GCCT and has control over GCCT. As such, GCCT is consolidated for accounting purposes in the Company's financial statements. GCCT is a reporting issuer and information prepared by it may be found on SEDAR+ at <https://sedarplus.ca>, which is not incorporated herein by reference.

Foreign Operations – CTFS Bermuda is a Bermuda-based reinsurance company regulated by the Bermuda Monetary Authority. CTFS Bermuda reinsures the creditor insurance that is marketed by CTB as well as a closed block of warranty business. CTFS Bermuda has entered into reinsurance agreements with two insurers with significant Canadian operations that currently underwrite, or have previously underwritten, insurance products to CTC's customers. CTFS Bermuda retains established and reputable actuarial and administrative service organizations to assist in the evaluation of the portfolio's risk and management of its operations.

Competitive Conditions – Through its Triangle-branded and other CTC-branded credit cards, CTB was the seventh largest issuer of credit cards in Canada in 2023 based on outstanding receivables. The cards compete with other general-purpose credit cards issued by banks and other financial institutions in the highly regulated and competitive Canadian credit card market. Non-traditional entrants and newer technologies such as mobile payments are impacting the competitive landscape in the credit card industry. With the increasing number of credit cards available, consumers are looking for relationships with organizations that offer programs that reward them for their loyalty, exceptional service, and overall value. Growth of the credit card portfolio and the continued strength of the Canadian Tire brand represents a further opportunity to drive customers to the Company's retail banners. CTC-branded deposit products also compete with comparable products offered by banks and other financial institutions and are issued on terms and conditions that are competitive with such other products.

2.3 CT REIT Segment

CT REIT is an unincorporated, closed-end real estate investment trust formed in 2013 which owns, manages and develops income-producing commercial properties located in all ten provinces and in two territories across Canada. CT REIT focuses primarily on triple-net, long-term leases to investment grade tenants. With triple-net leases, the tenant is responsible for paying all the expenses of the property, including real estate taxes, building insurance, and maintenance. CT REIT's geographically diversified portfolio comprises stand-alone properties, primarily occupied by Canadian Tire stores, multi-tenanted properties, primarily anchored by a Canadian Tire store and/or stores operating under other CTC banners, industrial properties, a mixed-use commercial property, and development properties. The principal objective

of CT REIT, as a real estate investment trust investing primarily in net lease assets, is to create unitholder value over the long-term by generating reliable, durable and growing monthly cash distributions on a tax-efficient basis. CT REIT's trust units are listed for trading on the TSX under the trading symbol "CRT.UN". As at December 31, 2023, CTC held a 68.4% effective interest in CT REIT.

Overview of the Property Portfolio – As at December 31, 2023, CT REIT's portfolio was comprised of 374 properties. The portfolio primarily consists of net leased assets and is made up of 367 retail properties, five industrial properties, one mixed-use commercial property (which includes CTC's head office) and one development property. Together, the retail properties, industrial properties and mixed-use commercial property contain approximately 30.8 million square feet of GLA (excluding properties under development). The retail properties are made up of 290 single tenant retail properties (263 of which are Canadian Tire single tenant properties and 27 of which are other single tenant properties), 69 multi-tenant properties anchored by a Canadian Tire store and eight multi-tenant properties not anchored by a Canadian Tire store. The 332 Canadian Tire stores owned by CT REIT range in size from 12,000 square feet of GLA to 198,000 square feet of GLA. CTC is CT REIT's most significant tenant with Canadian Tire stores, stores operated under other CTC retail banners, CTC's head office and CTC industrial properties representing 92.1% of CT REIT's total GLA and 91.3% of its annualized base minimum rent.

CT REIT's properties are well located within their respective markets and have stable characteristics, which include high occupancy, staggered lease maturities and strong retailing attributes, including high traffic locations, visibility, frontage, signage and parking. The properties are generally located in commercial areas and are often co-located with, or located in close proximity to, supermarkets and other large-scale retailers, which serve to attract high volumes of customers.

Competitive Conditions – CT REIT competes with other investors, managers and owners of properties for the purchase of desirable real estate properties to lease or develop, and for stable investment grade tenants. Competition for real estate assets is primarily based on financial and other resources as well as operating flexibility. To compete for tenants, real estate entities typically differentiate themselves by location, age and condition of building, operational efficiency and the ability of the owner to provide adequate maintenance at competitive costs. While certain competitors may have greater financial and other resources and/or greater operating flexibility than CT REIT, it has the advantage of having and maintaining an established relationship with its most significant anchor tenant, CTC. CT REIT also relies on its sites, which are generally well-located with favourable retailing attributes, and on a strong balance sheet in order to compete in the Canadian real estate sector.

The Company is considered a "promoter" of CT REIT within the meaning of applicable Canadian securities legislation. For additional information about CT REIT's business, see section 2 entitled "Description of the Business", section 3 entitled "Property Portfolio", and section 4 entitled "General Development of the Business" of CT REIT's 2023 Annual Information Form available on SEDAR+ at <https://sedarplus.ca> and on CT REIT's website at <https://www.ctreit.com>, which is not incorporated herein by reference.

2.4 Intangible Properties

All intellectual property and associated rights, which include trademarks, industrial designs, patents, technical know-how, confidential information and copyright associated with CTC and its owned brands, as well as the trademarks relating to CTC's subsidiaries and banners, including Canadian Tire, Financial Services, Petroleum, PartSource, SportChek, Mark's, Helly Hansen and Party City, are important assets of CTC and are enforced vigorously where appropriate. The Company's trademarks have expiry dates ranging from 2024 to 2038 with further renewals at the Company's election and discretion. CTC licenses the use of certain of its trademarks to Canadian Tire Services Limited, CT REIT, CTB and certain other entities. The Company's industrial designs and patents have expiry dates ranging from 2024 to 2041. Protection of the Company's intellectual property is a high priority, and CTC has established procedures to protect and enforce intellectual property material to its business.

CTC has agreements in place with the Canadian Olympic Committee and a number of Canadian sports organizations that permit CTC and its affiliates to use the Canadian Olympic Committee, Canadian Olympic Team and sports organization trademarks in connection with marketing, advertising and

promotional activities. CTB also has an agreement with MasterCard International Incorporated that permits CTB to use the MasterCard trademark in connection with the MasterCard credit cards that CTB issues. Pursuant to CTC's strategic partnership with Petro-Canada, a business owned by Suncor Energy Inc., agreements are in place that permit CTC to use and display certain trademarks, trade names, logos and other intellectual property, including the Petro-Canada and Petro-Points trademarks, in connection with the re-branding of Canadian Tire Gas+ gas bars and the loyalty program partnership.

2.5 Economic Dependence

There are no contracts upon which CTC's business is substantially dependent. CTC has entered into a standard form contract with each of its 488 Dealers, each of which generally expires on December 31, 2029, unless terminated earlier in accordance with terms of the contract. CTC routinely engages in discussions with the Dealers on amendments to the standard form contract to reflect changing business conditions and other matters affecting the relationship with the Dealers. CTC is not dependent upon any one of these contracts with any Dealer. For information concerning CTC's relationship with its Dealers, see section 2.1 entitled "Retail Segment – Canadian Tire Retail – Canadian Tire Dealers".

2.6 Risks and Risk Management

Enterprise Risk Management Framework – CTC recognizes that risk-taking is an integral part of conducting business, enabling CTC to achieve its strategic objectives and business goals. Balanced risk-taking and effective risk management create valuable business returns and shareholder value, as well as market opportunities and competitive advantages, all of which support profitable growth. The effective management of risk within CTC is a key priority for the Board and senior management and, to this end, CTC has adopted an Enterprise Risk Management ("ERM") Policy and Framework, Risk Appetite Statements, and other policies designed for identifying, assessing, managing, monitoring, escalating and reporting risks.

The ERM Framework is designed to:

- Safeguard CTC's brand and reputation;
- Support the achievement of CTC's strategic objectives, including financial aspirations;
- Preserve and enhance shareholder value;
- Support business planning and operations by providing a cross-functional perspective to risk management integrated with strategic planning and reporting processes across all lines of business;
- Provide a common risk language and framework for the identification, assessment, management, escalation and reporting of key risks across the organization;
- Bring a common understanding and enhanced awareness of risk, risk management and risk appetite across the organization;
- Establish clear accountability and ownership of risk and foster within CTC a cultural awareness of risk management that promotes responsible risk taking; and
- Sustain credibility and confidence in risk governance and risk management by the Company's internal and external stakeholders.

Risk Governance – The foundation of CTC's ERM Framework is a governance approach that includes a committee structure and a comprehensive set of policies approved by the Board. The key elements of risk governance are the Board, the office of the Chief Executive Officer ("CEO"), which is supported by senior management and the Enterprise Risk Committee ("ERC"), and the three lines of defence operating model. Clearly defined roles and responsibilities, coupled with timely monitoring and reporting, assist in supporting a strong risk culture and effective governance of risk.

Fundamental to risk governance at CTC is the ERC, which provides direct oversight of all key risks faced by CTC. Specifically, the ERC assists the CEO in discharging his responsibilities with respect to managing strategies in alignment with CTC's risk appetite, recommending various risk-related policies for the Board's approval and evaluating the effectiveness of CTC's processes and controls that aim to mitigate risk and support the strategic objectives.

CTC monitors its risk exposures to assess that its business activities are operating within approved limits, strategies and risk appetite. Exceptions, if any, are reviewed by the ERC and reported to the CEO, the Audit Committee and the Board, as appropriate.

Key Risks – CTC regularly monitors its businesses to identify and assess key risks (including emerging risks) that alone, or in combination with other interrelated risks, could have a significant adverse impact on the Company's brand, financial position, and/or ability to achieve its strategic objectives. These key risks are identified by management and are enterprise wide in scope and represent strategic, financial, and operational risks. In addition, the Board may select certain key risks that require direct Board or Committee oversight.

Information concerning the key risks identified through the Company's ERM framework as well as other business risks that may impact the Company's Retail, Financial Services and CT REIT segments, which may have a materially adverse effect on the Company, are described in section 11.0 entitled "Key Risks and Risk Management" of the Annual MD&A. There may be additional risks and uncertainties not currently known to management or risks that are not considered material at this time which may evolve and materially and adversely affect the Company in the future. The actual effect of any risk may be materially different than what is currently anticipated. The description of those risks also sets out the risk management strategies and measures undertaken by management. Although the Company believes the strategies and measures taken are reasonable in order to effectively manage the risks within the Company's risk appetite, there can be no assurance that these measures will effectively mitigate these risks. When considering whether to purchase or sell securities of CTC, investors and others should carefully consider these factors (including that risk management strategies and measures may not effectively mitigate such risks) as well as other uncertainties, potential events and global, macroeconomic, industry-specific or other factors that may adversely impact CTC's future performance.

2.7 Employees

As at the end of fiscal 2023, the number of full-time and part-time employees of CTC was as follows:

	Full-Time Employees*	Part-Time Employees*
CTC – Corporate	2,461	15
Canadian Tire Retail	4,593	1,818
Financial Services	1,398	173
SportChek	3,163	11,848
Mark's	1,608	5,385
Helly Hansen	1,051	245
Petroleum	48	-
Total	14,322	19,484

* The foregoing figures do not include employees of Dealers, SportChek franchisees, Mark's franchisees, Petroleum retailers and Party City stores. As at December 31, 2023, CT REIT had 68 employees.

CTC employs highly qualified individuals specializing in areas such as merchandising, marketing, product development, customer insights, supply chain and retail leadership to drive and sustain its core retail business. CTC continues to acquire talent to support future growth in key areas such as technology, digital and data analytics. CTC's strong in-house real estate management team manages the network of owned and leased properties for CTC and provides CT REIT with certain property management services pursuant

to a property management agreement. Financial Services also employs highly qualified individuals in credit risk management.

Expertise is gained through internal training and development programs, including the Company's Triangle Learning Academy, industry insights, and professional development experiences. Through the Triangle Learning Academy, employees are able to accelerate their learning and development and gain expertise through curated content on numerous subjects. Learning content is developed around core business capabilities and leadership principles grounded in CTC's core values and are offered through digital and hands-on experiences.

2.8 Environmental, Social and Governance Matters

CTC's Brand Purpose, *We Are Here to Make Life in Canada Better*, guides all actions related to the Company's business strategy, including CTC's position and strategies in relation to environmental, social and governance ("ESG") topics that matter most to its stakeholders. CTC has integrated ESG directly into its enterprise strategy as it is critical to fulfilling the Company's Brand Purpose and improving environmental and social outcomes for Canadians.

ESG Governance

At the Board, primary oversight of CTC's ESG strategies and risk management is the responsibility of the Brand and Corporate Responsibility Committee, which coordinates with the Board and its other Committees. The Brand and Corporate Responsibility Committee's ESG responsibilities include, but are not limited to:

- monitoring emerging trends, risks, issues and regulatory developments in relation to ESG matters;
- overseeing the Company's management of its priority ESG topics (including strategies and targets) and the impacts of those topics on the Company's brand and reputation; and
- approving the Company's ESG reporting.

CTC's leaders develop and implement strategies for each of the ESG topics, and executive oversight of these efforts is the responsibility of the Executive ESG Council, which is made up of cross-functional CTC leaders. The Executive ESG Council oversees the development, execution and measurement of these ESG strategies and reviews the Company's ESG reporting. The Executive ESG Council's collective knowledge and oversight of ESG efforts support the continued integration of ESG across the organization.

The Company's management of risks to its brand, including with respect to ESG topics, is supported by its policy framework and its crisis management capabilities. The Company has in place policies and operating directives to address issues of importance to its stakeholders, including ethical conduct, health and safety, the environment, product safety, privacy, cyber security and other matters. Each such policy sets out accountabilities for managing compliance, escalation processes and other procedures.

ESG Reporting

In 2023, CTC published its annual ESG Report, which outlines its approach to its ESG topics and focuses on those that the Company has identified as being most relevant to the enterprise and its stakeholders.

The report is organized into four pillars – Environment, People & Community, Responsible Sourcing, and Governance – and addresses the following priority ESG topics, including underlying strategies and targets, as applicable:

<i>Environment</i>	<i>People & Community</i>	<i>Responsible Sourcing</i>	<i>Governance</i>
Climate Change	Talent & Culture	Sustainable Supply Chain Management	Corporate Governance
Circularity: Packaging, Product & Operational Waste	Diversity, Inclusion & Belonging	Human Rights & Social Responsibility	Business Ethics
	Community Impact	Product Safety & Quality	Privacy & Data Security

The Company's ESG Report, which includes a Climate Data Supplement and disclosures against the Sustainability Accounting Standards Board standards, is available at <https://corp.canadiantire.ca/Environmental-Social-Governance>, which is not incorporated by reference herein.

3 General Development of the Business

3.1 2023 General Development of the Business

2023 Corporate and Business Developments

- The Company entered into a strategic partnership with Petro-Canada, a business owned by Suncor Energy Inc., which aims to drive additional value for CTC's Triangle Rewards and Petro-Canada's Petro-Points loyalty programs by allowing members of each program to earn points at both companies' gas stations upon launch in 2024. The partnership also establishes a competitive fuel source for CTC, with Suncor to become the Company's primary fuel provider over time, and will see over 200 of the Company's Canadian Tire Gas+ gas bars rebranded into Petro-Canada stations while maintaining CTC ownership.
- The Company announced a seven-year flagship strategic retail partnership with Microsoft, leveraging Microsoft Azure to modernize its systems and infrastructure. In addition, the partnership provides the Company with direct access to Microsoft's cloud products and solutions, expertise, and upskilling capabilities to increase the speed and efficiency of its business modernization and enhance customers' omnichannel journey and brand experiences across the Company.
- The Company completed the repurchase of Scotiabank's 20% interest in CTFS Holdings, in an all-cash transaction valued at \$895 million. The transaction provides CTC with enhanced flexibility in delivering added value to its active Triangle Rewards members and Triangle credit card holders. Concurrently with the transaction, the Company announced its intention to evaluate strategic alternatives for its Financial Services business.
- The Company was impacted by a fire on March 15, 2023, at its A.J. Billes Distribution Centre, one of CTC's largest distribution centres, which services CTR stores nationally. Operations at the facility were suspended on March 15, 2023, partially resumed on March 27, 2023, and returned to full operational shipment capacity during the second quarter. The fire resulted in cleanup and repairs costs, lost inventory, asset disposals, building damage, operating inefficiencies and a delay in first quarter shipments, some of which were mitigated by insurance recoveries.

- Given the macroeconomic environment and consumer demand which differed significantly from the Company's expectations, and further to the noticeable slowdown in Retail sales, the Company withdrew its 2022 to 2025 financial aspirations previously disclosed at its Investor Day held in March 2022. Other sales aspirations disclosed in connection with Investor Day were similarly impacted. In addition, given the changed economic conditions since early 2022 and continued softening of demand, the Company slowed the pace of previously-identified operating capital investments in 2023, which will continue into 2024, prioritizing its best returning capital investments. As a result, the Company announced that it no longer expected to invest the level of operating capital expenditures during the 2022-2025 period previously announced at its Investor Day.
- The Company launched Triangle Select, an annual fee-based subscription program through which Triangle Rewards members earn eCTM on eligible purchases in-store at Canadian Tire, Sport Chek, and Mark's, offering stackable, bonus eCTM.
- The Company acquired 10 strategic real estate leases formerly held by Bed, Bath & Beyond in Canada, with six of the stores designated for Mark's relocations and four designated for new Pro Hockey Life stores.
- Mark's launched Mark's WorkPro stores and L'Équipeur Pro stores, industrial-exclusive retail destinations catering to the unique needs of work gear customers, with four stores opened in Edmonton, Alberta, St. Catharine's, Ontario, Etobicoke, Ontario and Pointe-aux-Trembles, Quebec.
- The Company announced a multi-million dollar investment in a new Women's Sport Initiative, earmarking a minimum of 50% of its sponsorship dollars towards women's professional sport by 2026. This initiative also includes a dedicated media fund to increase the visibility of women's sport across top broadcast, digital and social platforms.
- In November 2023, the Company implemented targeted headcount reductions, reducing 3% of its full-time equivalent employees and eliminating the majority of its vacancies resulting in a further 3% reduction of its full-time equivalent employees.
- CT REIT completed two acquisitions, four developments and nine intensifications. The total spend in 2023 on these projects, together with amounts incurred in connection with ongoing developments, was approximately \$151 million.

2023 Finance Developments

- The Company completed a private placement offering of \$600 million aggregate principal amount of unsecured medium-term notes. The notes consisted of \$400 million of unsecured medium-term notes due September 16, 2030 (Series G) and \$200 million of floating rate unsecured medium-term notes due September 14, 2026 (Series H).
- The Company repaid \$400 million of unsecured medium-term notes issued in 2018 (Series F) in connection with the acquisition of Helly Hansen.
- The Company increased its annual dividend for the 14th consecutive year, to \$7.00 per share, representing a cumulative quarterly dividend increase of 1.5% from the previous year.
- The Company repurchased \$470 million of its Class A Non-Voting Shares, in excess of the amount required for anti-dilutive purposes, in partial fulfillment of its previously announced intention to repurchase between \$500 million and \$700 million of its Class A Non-Voting Shares, by the end of fiscal 2023 (the "2022-23 Share Repurchase Intention").
- The Company announced its intention to repurchase up to \$200 million of its Class A Non-Voting Shares, in excess of the amount required for anti-dilutive purposes, during 2024 (the "2024 Share

Repurchase Intention”), subject to regulatory approval of the renewal of the Company’s normal course issuer bid (“NCIB”).

- In connection with the repurchase of Scotiabank’s 20% interest in CTFS Holdings, the Company entered into a \$400 million term loan from Desjardins Capital Markets, due April 30, 2025. CTB also amended the terms of its committed unsecured bank line of credit and committed securitized note purchase facility with Scotiabank. Pursuant to the amended arrangements, Scotiabank has provided CTB with a \$400 million committed unsecured bank line of credit and \$700 million committed securitized note purchase facility, each of which expire in April 2025.
- The Company entered into a new unsecured bank line of credit for \$1.0 billion with five Canadian financial institutions, expiring in May 2025.
- CT REIT issued \$250 million of senior unsecured debentures, with a coupon rate of 5.828%, due June 14, 2028 (Series I). The net proceeds were used for the repayment of short-term indebtedness and for general business purposes.

3.2 2022 General Development of the Business

2022 Corporate and Business Developments

- Canadian Tire celebrated its 100th anniversary and 100 years of making life in Canada better. Starting from a single garage established by A.J. and J.W. Billes in 1922, CTC has grown into one of the country’s most recognized brands and group of companies, ensuring Canadians have access to the products, services and support they need for life in Canada. The milestone was marked with events and retrospectives throughout 2022 on the significant role Canadian Tire plays in the lives of Canadians.
- At the Company’s Investor Day held on March 10, 2022, the Company announced its *Better Connected* strategy and a multi-year, multi-billion dollar investment plan which aims to enhance the omnichannel customer experience, strengthen the Company’s supply chain fulfillment infrastructure and automation, modernize its IT infrastructure and drive efficiency in how the Company operates. In conjunction with the announcement of its strategy, the Company also announced long-term financial aspirations, which have since been withdrawn.
- J. Michael Owens was appointed Chairman of the Board, effective May 13, 2022, succeeding Maureen Sabia. A Fellow of the Chartered Professional Accountants and former partner with Deloitte Canada, Mr. Owens joined the Board of Directors in 2020.
- The Company’s Operational Efficiency program, an enterprise-wide initiative to eliminate duplicate systems and processes, drive enterprise-wide efficiencies and target internal and external expense reduction, originally announced in 2019, achieved an additional \$100 million of annualized run-rate savings, for a total of \$300+ million.
- The Company published its inaugural ESG Report which outlines its approach to ESG and focuses on those ESG topics that the Company has identified as being most relevant to the enterprise and its stakeholders. The Company also announced a new target to reduce its Scope 1 and Scope 2 greenhouse gas emissions, which include its Dealer-operated Canadian Tire stores, by 40% by 2030 relative to a 2020 baseline. The 2022 report summary is available at <https://corp.canadiantire.ca/Environmental-Social-Governance>, which is not incorporated by reference herein.
- The Company launched Roller Labs Ventures, an innovation program allowing CTC to invest in primarily Canadian start-up and early-stage companies. Investments in these companies presents an opportunity for CTC to bring digital improvements to its business and accelerate its strategic capabilities in areas such as customer insights and experience, product innovation and operational efficiency.

- Kevin Salsberg was appointed President and CEO of CT REIT, effective June 1, 2022, succeeding Ken Silver as CEO. Mr. Salsberg previously served as President and Chief Operating Officer of CT REIT.
- CT REIT completed seven acquisitions, two developments, one re-development and 16 intensifications. The total spend in 2022 on these projects, together with amounts incurred in connection with ongoing developments, was approximately \$258 million.

2022 Finance Developments

- The Company increased its annual dividend for the 13th consecutive year, to \$6.90 per share, representing a cumulative quarterly dividend increase of 33% from the previous year.
- The Company completed the repurchase of \$400 million of its Class A Non-Voting Shares, in excess of the amount required for anti-dilutive purposes (the “2021-22 Share Repurchase Intention”).
- The Company announced its 2022-23 Share Repurchase Intention to repurchase between \$500 million and \$700 million of its Class A Non-Voting Shares, in excess of the amount required for anti-dilutive purposes, by the end of fiscal 2023.
- CT REIT issued \$250 million of senior unsecured debentures, with a coupon rate of 3.029%, due February 5, 2029 (Series H). The net proceeds were partially used for the early redemption of \$150 million of CT REIT’s senior unsecured debentures, with a coupon rate of 2.852%, that were due on June 9, 2022 (Series A).

3.3 2021 General Development of the Business

2021 Corporate and Business Developments

- The Company achieved its previously announced Operational Efficiency program annualized run-rate savings target of \$200+ million ahead of schedule in the third quarter. The Company also announced that it had increased its Operational Efficiency target by \$100 million to \$300+ million to be achieved by the end of 2022.
- The Company launched a pilot of Triangle Select, a premium subscription program that offers a suite of accelerated rewards, experiences, and value-driven benefits which complement the Triangle Rewards program and credit card offerings.
- The Company successfully completed the transfer of Party City’s Canadian retail stores, acquired in 2019, to a number of its Dealers. The Company also launched the Party City assortment nationwide to Canadian Tire stores and integrated Party City into its Triangle Rewards program.
- CTC acquired a 25% interest in Ashcroft Terminal Ltd., which operates a 320-acre inland transload and storage terminal, in British Columbia, providing the Company with cross-Canadian rail access from the terminal in support of its supply chain operations.
- CT REIT completed seven acquisitions and nine intensifications. The total spend in 2021 on these projects, together with amounts incurred in connection with ongoing developments, was approximately \$128 million.

2021 Finance Developments

- The Company increased its annual dividend for the 12th consecutive year, to \$5.20 per share, representing an increase of 11% from the previous year.

- The Company announced its 2021-22 Share Repurchase Intention to repurchase up to \$400 million of its Class A Non-Voting Shares, in excess of the amount required for anti-dilutive purposes, by the end of fiscal 2022.

4 Capital Structure

4.1 Equity Securities

The authorized capital of CTC consists of 100,000,000 Class A Non-Voting Shares and 3,423,366 Common Shares, of which 52,197,823 Class A Non-Voting Shares and 3,423,366 Common Shares were issued and outstanding as at December 30, 2023. For additional information with respect to CTC's outstanding share capital, see section 7.0 entitled "Equity" of the Annual MD&A and note 26 entitled "Share Capital" of the notes to the Annual Financial Statements.

Material Characteristics of Common Shares – The holders of Common Shares of CTC are entitled to vote at all meetings of holders of Common Shares, including the election of 13 of the 16 directors to be elected at the upcoming annual meeting of shareholders and the appointment of the external auditor. Each Common Share carries one vote. In addition, each holder of Common Shares at any time is entitled to have all or any number of the Common Shares held by such holder converted into Class A Non-Voting Shares on the basis of one Class A Non-Voting Share for each Common Share. The foregoing is a summary of certain of the conditions attached to the Common Shares of CTC. For a full statement of such conditions, reference should be made to CTC's articles of amendment dated December 15, 1983, which are available on SEDAR+ at <https://sedarplus.ca> and on the Company's website at <https://corp.canadiantire.ca>.

Material Characteristics of Class A Non-Voting Shares – The holders of Class A Non-Voting Shares of CTC are entitled to vote on the election of three of the 16 directors to be elected at the upcoming annual meeting of shareholders. With the exception of (i) the entitlement to vote for the election of three directors, or, if the number of directors of CTC exceeds 17, one-fifth of the directors of CTC, calculated to the nearest whole number, (ii) the entitlement to vote in the circumstances referred to under the heading "Change in Class A Non-Voting Shares and Common Shares" below, and, (iii) as provided under applicable law, the holders of Class A Non-Voting Shares are not entitled as such to vote at any meeting of shareholders of CTC. Subject to the foregoing, each Class A Non-Voting Share carries one vote. However, the articles of CTC provide that in the event an offer to purchase Common Shares is made to all or substantially all of the holders of Common Shares or is required by applicable securities legislation or by the Toronto Stock Exchange to be made to all holders of Common Shares in Ontario (other than an offer to purchase both Class A Non-Voting Shares and Common Shares at the same price per share and on the same terms and conditions) and a majority of the Common Shares then issued and outstanding are tendered and taken up pursuant to such offer, the Class A Non-Voting Shares shall thereupon and thereafter be entitled to one vote per share at all meetings of shareholders and thereafter the Class A Non-Voting Shares shall be designated as Class A Shares.

The Common Shares and Class A Non-Voting Shares are each voted separately as a class, except in clearly defined circumstances as described above. Accordingly, aggregating the voting rights attached to the Common Shares and Class A Non-Voting Shares is not relevant to any corporate action currently contemplated. If, however, the holders of Common Shares and the holders of Class A Non-Voting Shares are entitled to vote together (rather than separately as a class), then based on the numbers of Common Shares and Class A Non-Voting Shares outstanding as at December 30, 2023, the Class A Non-Voting Shares would represent 93.8% of the aggregate voting rights attached to the Common Shares and Class A Non-Voting Shares. The foregoing is a summary of certain of the conditions attached to the Class A Non-Voting Shares of CTC. For a full statement of such conditions, reference should be made to CTC's articles of amendment dated December 15, 1983, which are available on SEDAR+ at <https://sedarplus.ca> and on the Company's website at <https://corp.canadiantire.ca>.

Dividend Rights – When fixed cumulative preferential dividends aggregating one cent per share per annum have been paid or declared and set apart for payment on all of the outstanding Class A Non-Voting

Shares in respect of the current year and each preceding year and a non-cumulative dividend aggregating one cent per share per annum has been paid or declared and set apart for payment on all outstanding Common Shares in the current year, any and all additional dividends, including stock dividends or other distributions to shareholders, will be paid or declared and set apart for payment or otherwise distributed in equal amounts per share on all Class A Non-Voting Shares and all Common Shares at the time outstanding without preference or distinction or priority of one share over another. For additional information concerning CTC's dividend policy, see section 7.2 entitled "Dividends" of the Annual MD&A.

Rights Upon Liquidation, Dissolution or Winding-Up – In the event of the liquidation, dissolution or winding-up of CTC, whether voluntary or involuntary, or any other distribution of assets of CTC among its shareholders for the purpose of winding-up its affairs, all of the property of CTC available for distribution to the holders of Class A Non-Voting Shares and the holders of Common Shares shall be paid or distributed equally share for share to the holders of Class A Non-Voting Shares and to the holders of Common Shares without preference or distinction or priority of one share over another.

Change in Class A Non-Voting Shares and Common Shares – Except as provided above, neither the Class A Non-Voting Shares nor the Common Shares shall be changed in any manner whatsoever whether by way of subdivision, consolidation, reclassification, exchange or otherwise unless contemporaneously therewith the other class of shares is changed in the same manner and in the same proportion. Also, the authorized number of Common Shares and Class A Non-Voting Shares cannot be increased without the prior approval of the holders of at least two-thirds of the shares of each such class represented and voted at a meeting of shareholders called for the purpose of considering such an increase.

4.2 Market for Equity Securities

The outstanding Common Shares and Class A Non-Voting Shares of CTC are listed on the Toronto Stock Exchange ("TSX") and are traded under the symbols "CTC" and "CTC.A", respectively. The high and low reported trading price and volumes of Common Shares and Class A Non-Voting Shares of CTC on the TSX for each month of the 2023 fiscal year were as follows:

	Common Shares (CTC)		Volume Traded
	High (\$)	Low (\$)	
January 2023	295.00	252.38	6,008
February 2023	336.00	285.00	6,865
March 2023	327.00	301.15	2,215
April 2023	327.00	311.00	1,905
May 2023	325.90	305.00	3,323
June 2023	288.08	288.00	1,121
July 2023	300.00	254.80	6,822
August 2023	297.89	263.36	2,970
September 2023	295.55	273.33	4,564
October 2023	282.36	266.00	2,636
November 2023	278.20	250.00	6,018
December 2023	288.08	255.05	3,622

Class A Non-Voting Shares (CTC.A)

	High (\$)	Low (\$)	Volume Traded
January 2023	162.40	142.72	6,148,939
February 2023	174.81	158.09	6,053,886
March 2023	176.84	163.00	5,412,065
April 2023	185.89	176.37	5,215,782
May 2023	182.56	162.51	4,600,608
June 2023	181.41	162.52	3,904,762
July 2023	189.82	180.00	3,515,579
August 2023	182.48	151.38	4,336,667
September 2023	161.42	143.64	3,354,525
October 2023	146.70	131.46	4,571,622
November 2023	148.61	133.60	5,164,359
December 2023	147.29	138.16	3,762,286

4.3 Normal Course Issuer Bid

Each year, the Company files an NCIB with the TSX which allows it to repurchase its Class A Non-Voting Shares in the open market to effect its share repurchase intentions and its anti-dilutive policy.

CTC's current NCIB commenced on March 2, 2023, and is in effect until March 1, 2024 (the "2023-24 NCIB"). Under the 2023-24 NCIB, the Company has the ability to repurchase up to 5.1 million Class A Non-Voting Shares by means of open market transactions through the facilities of the TSX and/or alternative Canadian trading systems at the market price of the Class A Non-Voting Shares at the time of repurchase or as otherwise permitted under the rules of the TSX or securities regulatory authorities. Class A Non-Voting Shares acquired by CTC pursuant to the NCIB are restored to the status of authorized but unissued shares.

For additional information concerning the Company's 2023-24 NCIB, including the 2024 Share Repurchase Intention, see section 7.1 entitled "Shares Outstanding" of the Annual MD&A.

For information regarding CT REIT's NCIB program, see section 6.14 entitled "Normal Course Issuer Bid" of CT REIT's Management's Discussion and Analysis for the fourth quarter and full year ended December 31, 2023, which is not incorporated herein by reference.

4.4 Debt Securities

Medium-Term Notes

CTC has issued various series of medium-term notes, and each series is governed by a trust indenture ("Trust Indenture"). The medium-term notes are subject to certain covenants, are unsecured obligations of CTC and rank equally with all other existing and future unsecured and unsubordinated indebtedness of CTC. CTC's Series H medium-term notes are redeemable, in whole or in part, at any time on or after September 14, 2024, at par value. All other medium-term notes are redeemable, in whole or in part, at any time, at the greater of par value or a formula price based upon interest rates at the time of redemption.

In the event of a change of control, CTC must make an offer to repurchase all outstanding medium-term notes. Further information is located in section 6.5 entitled "Liquidity and Financing" of the Annual MD&A.

U.S Commercial Paper Program

The Company has established a commercial paper program that allows it to issue up to a maximum aggregate principal amount of US\$1.0 billion of short-term promissory notes in the United States. Terms to maturity for the promissory notes range from one to 270 days from the date of issue. Notes are issued at a discount and rank equally in right of payment with all other present and future unsecured and unsubordinated obligations to creditors of the Company. Further information is located in section 6.5 entitled “Liquidity and Financing” of the Annual MD&A.

5 Dividends

Dividends are declared at the discretion of the Board of Directors of CTC after consideration of earnings available for dividends, financial requirements and other conditions prevailing from time to time.

CTC declared and paid the following annual dividends per share on its Common Shares and Class A Non-Voting Shares in each of the last three years:

Year	Annual Dividends Declared*	Annual Dividends Paid*
2021	\$4.8250	\$4.7000
2022	\$6.2750	\$5.8500
2023	\$6.9250	\$6.9000

* Paid in the next quarterly period that follows the date such dividends are declared.

In November 2023, the Company increased its annual dividend for the 14th consecutive year, to \$7.00 per share, representing a cumulative quarterly dividend increase of 1.5% from the previous year. The next quarterly dividend of \$1.75 will be paid on March 1, 2024.

Detailed information on dividends declared and paid by the Company is available on the Company’s website at <https://corp.canadiantire.ca/investors/shareholders/dividend-information>.

The June 4, 1993 Trust Indenture pursuant to which CTC issued medium-term notes due in 2028 and 2034, contains restrictions on the ability of CTC to declare and pay dividends. The financial position of CTC is such that these restrictions do not practically limit the payment of dividends by CTC at this time. The March 14, 2005 Trust Indenture pursuant to which CTC also issued medium-term notes due in 2026, 2030 and 2035 does not contain any restrictions concerning CTC’s ability to declare and pay dividends.

For information concerning the Company’s long-term dividend payout ratio, see section 7.2 entitled “Dividends” of the Annual MD&A.

For information regarding CT REIT distributions, see section 11 entitled “Distributions” of CT REIT’s 2023 Annual Information Form, which is not incorporated herein by reference.

6 Security Ratings

CTC has short-term and long-term issuer ratings and ratings for its debt securities. A credit rating generally provides an indication of the risk that the borrower will not fulfill its full obligations in a timely manner with respect to both interest and principal commitments. Short-term ratings are provided by S&P Global Ratings (“S&P”) and Moody’s Investors Service (“Moody’s”). Long-term ratings are provided by DBRS Limited (“Morningstar DBRS”) and S&P.

Below is a summary of the Company's long-term and short-term issuer ratings and ratings on CTC's outstanding medium-term notes and U.S. commercial paper:

	Morningstar DBRS		S&P		Moody's	
	Rating	Trend	Rating	Outlook	Rating	Outlook
Issuer (Long-Term)	BBB	Stable	BBB	Stable	-	-
Issuer (Short-Term)	-	-	A-2	-	-	-
Medium-Term Notes	BBB	Stable	BBB	-	-	-
U.S. Commercial Paper	-	-	A-2	-	P-2	Stable

The following information relating to credit ratings is based on information made available to the public by the rating agencies.

Long-term rating categories for Morningstar DBRS and S&P range from highest credit quality (generally "AAA") to default in payment (generally "D"). Short-term rating categories range from "A-1+" (S&P), or "P-1" (Moody's), representing the highest credit quality, to "D" (S&P) and "not prime" (Moody's) for the lowest quality of securities rated.

A long-term rating of "BBB" by Morningstar DBRS is within the fourth highest of its 10 long-term rating categories and is assigned to debt that is considered to be of adequate credit quality, where capacity for the payment of financial obligations is considered acceptable but the issuing entity may be vulnerable to future events. A credit rating of "BBB (low)" or higher is an investment grade rating. All rating categories other than "AAA" and "D" also contain subcategories "(high)" or "(low)" which indicates relative standing within such category. The absence of either a "(high)" or "(low)" designation indicates the rating is in the middle of the category. The assignment of a "Positive", "Stable" or "Negative" trend modifier provides guidance in respect of Morningstar DBRS's opinion regarding the outlook for the rating in question. The rating trend indicates the direction in which Morningstar DBRS considers the rating is headed should present tendencies continue.

A long-term rating of "BBB" by S&P is within the fourth highest of its 10 long-term rating categories and indicates that the obligor has adequate capacity to meet financial commitments. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments. A credit rating of "BBB-" or higher is an investment grade rating. Ratings from "AA" to "CCC" may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the rating categories. The outlook ("Positive", "Stable", "Negative" or "Developing") assesses the potential direction of a long-term credit rating over the intermediate term, which is generally up to two years for investment grade. In determining a rating outlook, consideration is given to any changes in economic and/or fundamental business conditions.

A short-term rating of "A-2" by S&P is the second highest short-term rating category and indicates that the obligor has satisfactory capacity to meet its financial commitments. However, the obligor is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in the highest rating category.

A short-term rating of "P-2" by Moody's is the second highest short-term rating category and indicates the issuer has a strong ability to repay short-term debt obligations.

There is no assurance that a rating will remain in effect for any given period of time or that a rating will not be lowered, withdrawn or revised by Morningstar DBRS, S&P or Moody's if, in their judgment, circumstances so warrant. The rating of any debt securities is not a recommendation to buy, sell or hold such securities, inasmuch as such ratings do not comment as to market price or suitability for a particular investor.

In the last two years, the Company has paid fees to Morningstar DBRS, S&P and Moody's to obtain credit ratings and expects to pay similar fees in the future pursuant to the rating agency's engagement letters.

For information regarding the credit ratings applicable to CT REIT, see section 12 entitled “Credit Ratings” of CT REIT’s 2023 Annual Information Form, which is not incorporated herein by reference.

7 Transfer Agents and Registrar

Computershare Trust Company of Canada (“Computershare”) is the registrar and transfer agent for the Common Shares and Class A Non-Voting Shares of CTC. Computershare keeps the Register of Holders and the Register of Transfers for both the Common Shares and Class A Non-Voting Shares at its principal stock transfer office in the city of Toronto (Ontario) and Branch Registers of Transfers at stock transfer offices in the cities of Montreal (Quebec), Calgary (Alberta) and Vancouver (British Columbia).

CIBC Mellon Trust Company c/o BNY Trust Company of Canada (“BNYTCC”) is the registrar and transfer agent for CTC’s medium-term notes. BNYTCC keeps the Register of Holders and the Register of Transfers for the medium-term notes at its principal office in the city of Toronto (Ontario), and Branch Registers of Transfers at its office in the city of Montreal (Quebec), except for medium-term notes issued pursuant to the Trust Indenture dated March 14, 2005, for which the Branch Register of Transfers is in the city of Toronto.

8 Directors and Officers

8.1 Members of the Board of Directors

The following table sets out the directors of CTC, including their place of residence, year first elected or appointed, and principal occupation:

Name, Province or State and Country of Residence	Year First Elected/Appointed ¹	Principal Occupation ²
J. Michael Owens Ontario, Canada	2020	Chairman of the Board, CTC and Corporate Director
Eric Anderson Illinois, U.S.A.	2016	Polk Bros. Chair in Retailing and Professor of Marketing at Northwestern University, Kellogg School of Management
Martha Billes Alberta, Canada	1980	President, Tire ‘N’ Me Pty. Ltd., an investment holding company
Owen Billes Ontario, Canada	2004	President, Sandy McTyre Retail Ltd., which operates a Canadian Tire store
Lyne Castonguay Florida, U.S.A.	2023	Founder and CEO, Victrice, an investment, advisory and consulting firm
Cathryn Cranston Ontario, Canada	2023	Corporate Director
Steve Frazier Washington, U.S.A.	2021	Corporate Director and Senior Consultant
Greg Hicks Ontario, Canada	2020	President and CEO, CTC
Norman Jaskolka ³ Quebec, Canada	2018	CEO, Sweet Park Capital, which manages the investments of the Bensadoun family
Sylvain Leroux Quebec, Canada	2021	President, Sylvain M. Leroux Enterprises Ltd., which operates a Canadian Tire store
Donald Murray Alberta, Canada	2017	Corporate Director and former Canadian Tire Dealer

Name, Province or State and Country of Residence	Year First Elected/Appointed ¹	Principal Occupation ²
Sue Paish ⁴ British Columbia, Canada	2023	CEO, Digital Supercluster, a Canadian not-for-profit innovation cluster
Nadir Patel Ontario, Canada	2021	Management Consultant and Corporate Director
Christine Rupp Ohio, U.S.A.	2022	Chief Customer Officer, Victoria's Secret & Co., a lingerie, clothing and beauty retailer
Sowmyanarayan Sampath New Jersey, U.S.A.	2022	CEO, Verizon Consumer Group, a telecommunications company
Cynthia Trudell Florida, U.S.A.	2019	Corporate Director

¹ Each director of CTC holds office until the next annual meeting of shareholders or until his or her successor is elected or appointed.

² Each director of CTC has held the position listed above or other senior management positions with the same or associated firms or organizations during the past five years, except:

(a) L. Castonguay who, from February 2021 to June 2022, served as President and Chief Operating Officer, Dairy Division (USA) at Saputo Inc., and prior to June 2019, served as Executive Vice-President, Stores and other senior management positions at Empire Company Ltd.

(b) S. Frazier who, prior to June 2020, served as a Vice-President at Amazon.com.

(c) J. M. Owens who, prior to May 2019, was a partner of Deloitte LLP.

(d) D. Murray who, prior to February 2023, operated a Canadian Tire store in Red Deer, Alberta.

(e) N. Patel who, prior to October 2021, served as High Commissioner for Canada to India, Ambassador of Canada to Nepal and Ambassador of Canada to Bhutan.

(f) C. Rupp who, from December 2019 to July 2022, served as Executive Vice-President and Chief Customer and Digital Officer of Albertsons Companies, Inc., and prior to December 2019, served as General Manager, Xbox and Microsoft Store for Microsoft Corporation.

³ N. Jaskolka served on the board of directors of The Aldo Group Inc. until March 2020. The Aldo Group Inc., together with certain of its subsidiaries, obtained an order under the Companies' Creditor Arrangement Act, effective May 2020. In July 2022, the company successfully completed its restructuring process and satisfied the court-approved plan. Similar relief was provided in other jurisdictions. N. Jaskolka rejoined the board of directors of The Aldo Group Inc. on January 12, 2023.

⁴ S. Paish served as Chair of the board of directors of Imagia Canexia Health Inc. until July 2023. Imagia Canexia Health, together with its subsidiary Canexia Health Inc., were placed into receivership in August 2023.

Committees of the Board of Directors

The Board of Directors has four standing committees: the Audit Committee, the Management Resources and Compensation Committee, the Governance Committee and the Brand and Corporate Responsibility Committee.

The current members of these Committees are as follows:

Audit Committee	Management Resources and Compensation Committee	Governance Committee	Brand and Corporate Responsibility Committee
N. Patel (Chair)	C. Trudell (Chair)	N. Jaskolka (Chair)	S. Frazier (Chair)
E. Anderson	E. Anderson	M. Billes	O. Billes
C. Cranston	L. Castonguay	C. Cranston	S. Leroux
N. Jaskolka	S. Frazier	J. M. Owens	D. Murray
S. Sampath	S. Paish	C. Trudell	N. Patel
	C. Rupp		

Audit Committee

As noted above, the Audit Committee is comprised of Nadir Patel (Chair), Eric Anderson, Cathryn Cranston, Norman Jaskolka and Sowmyanarayan Sampath. The education and experience of each Audit Committee member that is relevant to the performance of their responsibilities as Audit Committee members is described below:

Member	Experience
Nadir Patel, Chair	Mr. Patel is a Management Consultant and Corporate Director. He currently serves as Managing Director of Fairfax Consulting Services, Senior Strategic Advisor to Norton Rose Fulbright Canada LLP, Strategic Advisor to the President of Huron University College, and Chairman of Canadian Tire Jumpstart Charities. Prior to his current roles, Mr. Patel held several senior government positions over a distinguished career in Canada's public service. Most recently, he served as Canada's High Commissioner for the Republic of India, with concurrent accreditation as Canada's Ambassador to Nepal and Ambassador to the Kingdom of Bhutan until 2021. He also previously served as Assistant Deputy Minister and Chief Financial Officer for Canada's Department of Foreign Affairs, Trade and Development and as Canada's Consul General in Shanghai. Mr. Patel brings a wealth of experience in strategic planning, finance, human resources, risk management, IT, procurement, and international relations, and has served on the boards of several crown corporations and not-for-profit organizations. He began his career as a tax auditor at Revenue Canada (now Canada Revenue Agency), serving in progressively senior positions, and served as Chair of the Audit Committees of Cellular Biomedicine Group, the Association of Professional Executives of the Public Service of Canada, and International Development Research Centre, a crown corporation. Mr. Patel holds a joint MBA from New York University's Stern School of Business, London School of Economics and Political Science, and HEC (Paris) School of Management.
Eric Anderson	Dr. Anderson is the Polk Bros. Chair in Retailing and Professor of Marketing at Northwestern University, Kellogg School of Management. He also serves as the Managing Director of Leadership Analytics Advisors, LLC and is an advisor of Lift Lab. Dr. Anderson previously served as Chair of the Marketing Department and Director of the Kellogg-McCormick MBAi Program at Northwestern University, Kellogg School of Management, and held appointments at the University of Chicago Booth School of Business and the W.E. Simon Graduate School of Business at the University of Rochester. He holds a Ph.D. in Management Science from the MIT Sloan School of Management.
Cathryn Cranston	Ms. Cranston is a Corporate Director. A former senior executive in the financial services sector, Ms. Cranston spent most of her career at BMO Financial Group prior to her retirement in 2018. Ms. Cranston most recently served as Treasurer of BMO Financial Group, with prior executive roles as Head of Investor Relations, CFO of BMO's Wealth Management business, VP of Integrated Risk Management, as well as senior roles in capital markets and corporate banking. She serves on numerous public, private and not-for-profit boards, including Toromont Industries Ltd., where she also serves as the Chair of Toromont's audit committee, and Ontario Teachers' Pension Plan. She is also a member of the Advisory Panel on Resolution for the Canada Deposit Insurance Corporation and serves on CD Howe's Domestic Stability Buffer Council. Ms. Cranston holds an MBA from the University of Manitoba.
Norman Jaskolka	Mr. Jaskolka is CEO of Sweet Park Capital, the company that manages the investments of the Bensadoun family, including The Aldo Group, a Canadian global retailer of shoes and accessories. He serves as Chairman of The Aldo Group, and previously served as President of Aldo Group International, and Vice-President, Corporate Development and Vice-President, Information Technology of The Aldo Group. Mr. Jaskolka was a member of The Aldo Group's enterprise risk management committee, oversaw all merger and acquisition activities and also led The Aldo Group's annual budgeting process. Prior to joining The Aldo Group, he was a partner at Ernst & Young where his

Member	Experience
Sowmyanarayan Sampath	<p>practice focused on audit, taxation, business valuations and corporate finance. Mr. Jaskolka is also Co-Chairman of the advisory board of the Bensadoun School of Retail Management at McGill University and is a frequent lecturer and speaker on global retail strategies, having presented at the World Retail Congress and the National Retail Federation. He is a Fellow of the Order of Chartered Professional Accountants of Quebec.</p> <p>Mr. Sampath is the Executive Vice-President and CEO for Verizon Consumer Group, a division of Verizon Communications Inc. He has more than two decades of experience in digital transformation and critical network infrastructure on behalf of business customers, with extensive knowledge of products and their role in powering enterprise growth and global security. Mr. Sampath has served in various other senior positions at Verizon, including, most recently, as CEO of Verizon Business, where he led the digitization of businesses, governments and communities globally, as well as served as President of Global Enterprise, and as Chief Product Officer at Verizon. Prior to joining Verizon, he spent almost a decade at the Boston Consulting Group, where he was a Partner and Global Sector Leader for the Telecom practice area focused on driving large scale, enterprise-wide transformations. Mr. Sampath is a Chartered Accountant and holds an MBA from Boston University.</p>

Each member of the Audit Committee is financially literate within the meaning of such definition as set out in National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators (“NI 52-110”). Each member of the Audit Committee is also independent within the meaning of NI 52-110.

The Audit Committee has established a policy under which all requests for permitted non-audit services to be provided by the external auditor for CTC must be brought to the attention of the Chair of the Audit Committee before such work commences. The Chair is authorized to approve all such requests, but if any such service exceeds or is expected to exceed \$350,000 in fees, or the service is of a sensitive or unusual nature, the Chair must consult with the Committee before approving the service. The Chair of the Committee is responsible for informing the Audit Committee of all pre-approved services at its next meeting. The Audit Committees of CTFS Holdings, CTB and CT REIT are authorized to approve all non-audit services with respect to their applicable entities to a limit of \$100,000. If the fees exceed \$100,000 but are below \$350,000, they must be pre-approved by the Chair of the Audit Committee of the Company.

The Audit Committee Mandate is attached hereto as Schedule A.

8.2 Executive Officers

The following table sets out the executive officers of CTC as at December 30, 2023, including their place of residence and principal occupation:

Name, Province and Country of Residence	Principal Occupation ¹
Greg Hicks Ontario, Canada	President and CEO
Gregory Craig Ontario, Canada	Executive Vice-President and Chief Financial Officer
James Christie Ontario, Canada	Executive Vice-President, CTC
Bob Hakeem Ontario, Canada	Executive Vice-President and Chief Human Resources Officer
Aayaz Pira Ontario, Canada	President, Canadian Tire Financial Services
TJ Flood Ontario, Canada	Executive Vice-President, President, Canadian Tire Retail

Name, Province and Country of Residence	Principal Occupation ¹
Susan O'Brien Ontario, Canada	Executive Vice-President, Chief Brand and Customer Officer

1. Each executive officer has held the position listed above or other senior management positions with CTC during the past five years, except:
- (a) B. Hakeem who, prior to September 2019, served as Chief Operations Officer at Walmart Canada.
 - (b) A. Pira who, from December 2020 to May 2021, served as Senior Vice-President, Digital Banking & Enterprise Innovation at Canadian Imperial Bank of Commerce ("CIBC"), and prior to December 2020, served as Senior Vice-President, CIBC Digital & Direct Banking and Head Simplii Financial at CIBC.

8.3 Securities Held

As at December 30, 2023, the directors and executive officers of CTC, as a group, beneficially owned, directly or indirectly, or exercised control or direction over 2,101,154 Common Shares of CTC (representing 61.4% of the issued and outstanding Common Shares of CTC) and 825,426 Class A Non-Voting Shares of CTC (representing 1.6% of the issued and outstanding Class A Non-Voting Shares of CTC). The Common Shares held by this group include 2,101,150 Common Shares beneficially owned, controlled or directed, in aggregate, by Martha Billes and Owen Billes, through two privately held companies, Tire 'N' Me Pty. Ltd. and Albikin Management Inc.

The above figures do not include the Common Shares and Class A Non-Voting Shares held in connection with CTC's Deferred Profit Sharing Plan ("CTC DPSP"), in which CTC's executive officers have rights pursuant to a group annuity policy issued in connection with the CTC DPSP. One executive officer of CTC also serves as a member of CTC's DPSP Capital Accumulation Plan Committee (the "DPSP CAP Committee") with respect to the exercise of voting and various other rights of the Company's shares held in relation to the CTC DPSP. As at December 30, 2023, the DPSP CAP Committee exercised control or direction over 419,280 of the Common Shares of CTC (representing 12.2% of the issued and outstanding Common Shares of CTC) and 353,125 of the Class A Non-Voting Shares of CTC (representing 0.7% of the issued and outstanding Class A Non-Voting Shares of CTC) held in relation to the CTC DPSP.

As at December 30, 2023, the directors and executive officers of CTC, as a group, beneficially owned, directly or indirectly, or exercised control or direction over 43,800 Units of CT REIT (representing less than 0.1% of the issued and outstanding Units of CT REIT).

8.4 Conflicts of Interest

Other than as described below, to the best of CTC's knowledge, no director or officer of the Company or its subsidiaries has an existing or potential material conflict of interest with CTC or any entities controlled by it. Two directors are Dealers. CTC is a party to a contract with each such director pursuant to which each operates the retail business of a Canadian Tire store. In addition, one director is a former Dealer. Directors who are Dealers recuse themselves from voting on contractual arrangements between the Company and the Dealers. Mr. Craig, the Executive Vice-President and Chief Financial Officer of CTC, is a trustee of CT REIT and is subject to disclosure requirements and voting restrictions with respect to contracts and transactions between CT REIT and the Company and its affiliates.

9 Interests of Experts

Deloitte LLP is the external auditor of CTC and is independent within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario. The following table sets forth the aggregate fees for professional services rendered by Deloitte LLP to the Company and its subsidiaries for the fiscal years ended December 30, 2023, and December 31, 2022, respectively:

	Year Ended December 30, 2023 ¹	Year Ended December 31, 2022 ¹
Audit Fees ²	\$5,528,000	\$5,305,000
Audit-Related Fees ³	\$1,440,000	\$954,000
Tax Fees ⁴	\$30,000	\$40,000
All Other Fees ⁵	\$801,000	\$531,000
Total	\$7,799,000	\$6,830,000

¹ Fees reported in each fiscal year represent fees billed or accrued for services provided during the applicable fiscal year.

² "Audit Fees" are the aggregate fees for audit services, including translation fees.

³ "Audit-Related Fees" are the aggregate fees for assurance and related services that were reasonably related to the performance of audit or review procedures and were not reported under "Audit Fees" in the table above. These services related primarily to statutory audits of components not being relied on for the consolidated audit (2023 – \$726,000, 2022 – \$531,000), accounting advisory, due diligence and assurance provided over specific greenhouse gas metrics.

⁴ "Tax Fees" include the aggregate fees for professional services related to tax compliance, tax advice and tax planning. These services related primarily to tax advice in connection with foreign operations and the Canadian tax implications thereof, transfer pricing, tax compliance, and tax planning.

⁵ "All Other Fees" are aggregate fees for services, other than the services reported under "Audit Fees", "Audit-Related Fees" and "Tax Fees" in the table above. These services related to various consulting projects.

10 Legal Proceedings and Regulatory Actions

CTC and certain of its subsidiaries are party to a number of legal proceedings. CTC believes that each such proceeding constitutes a routine legal matter incidental to the business conducted by CTC. CTC cannot determine the ultimate outcome of all of the outstanding claims but believes that the ultimate disposition of the proceedings will not have a material adverse effect on its consolidated earnings, cash flow or financial position.

11 Additional Information

Additional information, including directors' and officers' remuneration, principal holders of CTC's securities and securities authorized for issuance under CTC's equity compensation plans, is contained in CTC's most recent Management Information Circular prepared in connection with the Annual Meeting of Shareholders of CTC that was held on May 11, 2023, which is available on SEDAR+ at <https://sedarplus.ca>. Additional financial information is provided in the Annual Financial Statements and Annual MD&A, which are also available on SEDAR+ at <https://sedarplus.ca>. Other information relating to CTC may also be obtained on SEDAR+ at <https://sedarplus.ca> and on the Company's website at <https://corp.canadiantire.ca>.

12 Forward-Looking Information

This document contains information that may constitute forward-looking information reflecting management's current expectations relating to matters such as future financial performance and operating results of the Company. Forward-looking information provides insights regarding management's current expectations and plans, and allows investors and others to better understand the Company's anticipated financial position, results of operations and operating environment. Readers are cautioned that such information may not be appropriate for other purposes. Certain other information, other than historical information, may also constitute forward-looking information, including, but not limited to, information concerning management's current expectations relating to possible or assumed prospects and results, the Company's strategic goals and priorities, its actions and the results of those actions, and the economic and business outlook for the Company. Often, but not always, forward-looking information can be identified by the use of forward-looking terminology such as "may", "will", "expect", "intend", "believe", "estimate", "plan", "can", "could", "should", "would", "outlook", "forecast", "anticipate", "aspire", "foresee", "continue", "ongoing" or the negative of these terms or variations of them or similar terminology. Forward-looking information is based on the reasonable assumptions, estimates, analyses, beliefs and opinions of management made in light of its experience and perception of trends, current conditions and expected developments, as well as

other factors that management believes to be relevant and reasonable at the date that such information is disclosed.

By its very nature, forward-looking information requires management to make assumptions and is subject to inherent risk factors and uncertainties, which give rise to the possibility that management's assumptions, estimates, analyses, beliefs and opinions may not be correct, and that the Company's expectations and plans will not be achieved and may change. Examples of material assumptions and management's beliefs, include, but are not limited to, future economic conditions and related impacts on inflation, consumer spending, interest rates, and foreign exchange rates, current and future competitive conditions and the Company's position in the competitive environment, anticipated cost savings and operational efficiencies as well as anticipated benefits from strategic and other initiatives, the availability of sufficient liquidity, and that risks do not materialize or are successfully mitigated. Although the Company believes that the forward-looking information in this document is based on information, assumptions and beliefs that are current, reasonable, and complete, such information is necessarily subject to a number of business, economic, competitive and other risk factors that could cause actual results to differ materially from management's expectations and plans as set forth in such forward-looking information. Some of the risk factors, many of which are beyond the Company's control and the effects of which can be difficult to predict, but may cause actual results to differ from the results expressed by the forward-looking information, include: (a) credit, market, currency, operational, liquidity and funding risks, including changes in economic conditions, interest rates or tax rates; (b) the ability of the Company to attract and retain high-quality executives and employees for all of its businesses, Dealers, Petroleum retailers, and Mark's and SportChek franchisees, as well as the Company's financial arrangements with such parties; (c) the growth of certain business categories and market segments and the willingness of customers to shop at its stores or acquire the Company's owned brands or its financial products and services; (d) the Company's margins and sales and those of its competitors; (e) the changing consumer preferences and expectations relating to eCommerce, online retailing, customer loyalty programs and the introduction of new technologies; (f) geopolitical risks, and other developments including changes relating to or affecting economic or trade matters as well as the outbreak of contagions or pandemic diseases; (g) risks and uncertainties relating to information management, technology, cyber threats, privacy and data breaches, property management and development, environmental liabilities, social matters, supply-chain management, product safety, competition, seasonality, weather patterns, climate change, commodity prices and business continuity; (h) the Company's relationships with its Dealers, franchisees, suppliers, manufacturers, partners and other third parties; (i) changes in laws, rules, regulations and policies applicable to the Company's business; (j) the risk of damage to the Company's reputation and brand; (k) the cost of store network expansion and retrofits; (l) the Company's capital structure, funding strategy, cost management program, and share price; (m) the Company's ability to obtain all necessary regulatory approvals; (n) the Company's ability and timing to complete any proposed acquisition or divestiture; (o) the Company's ability to realize the anticipated benefits or synergies from its acquisitions and investments or divestitures; and (p) the timing and results of the review of strategic alternatives for the Company's Financial Services business.

For more information on the material risk factors and uncertainties and the material factors and assumptions applied in preparing the forward-looking information that could cause the Company's actual results to differ materially from predictions, forecasts, projections, expectations or conclusions, see section 11.0 entitled "Key Risks and Risk Management" and all subsections thereunder in the Annual MD&A. For more information, also refer to the Company's other public filings, available on SEDAR+ at <https://sedarplus.ca>.

The Company cautions that the foregoing list of important risk factors and assumptions is not exhaustive and other factors could also adversely affect the Company's results. Investors and other readers are urged to consider the foregoing risks, uncertainties, factors and assumptions carefully in evaluating the forward-looking information and are cautioned not to place undue reliance on such forward-looking information. The forward-looking information contained herein is based on certain factors and assumptions as of the date hereof and does not take into account the effect that transactions or non-recurring or other special items announced or occurring after the information has been disclosed have on the Company's business. The Company does not undertake to update any forward-looking information, whether written or oral, that may be made from time to time by it or on its behalf, to reflect new information, future events or otherwise, except as is required by applicable securities laws.

Information contained in or otherwise accessible through the websites referenced in this Annual Information Form (other than documents explicitly incorporated by reference herein and available through <https://sedarplus.ca>) do not form part of this Annual Information Form and are not incorporated by reference. All references to such websites are inactive textual references and are for information only.

SCHEDULE A
CANADIAN TIRE CORPORATION, LIMITED
AUDIT COMMITTEE MANDATE

1. Purpose of the Committee

The Board of Directors (the “Board”) of Canadian Tire Corporation, Limited (the “Corporation”) has established the Audit Committee (the “Committee”) to assist the Board with its oversight responsibilities with respect to:

- (i) the integrity of the financial statements and related disclosures;
- (ii) compliance with legal, regulatory and other requirements relating to the Corporation’s financial statements and disclosures;
- (iii) management’s responsibility for assessing and reporting on the effectiveness of internal control over financial reporting and disclosure controls and procedures;
- (iv) the qualifications, independence and appointment of the external auditors;
- (v) the performance of the external auditors and Internal Audit Services;
- (vi) the Corporation’s enterprise risk management processes; and
- (vii) such other matters as delegated by the Board.

2. Responsibilities of the Committee

The Committee shall perform the functions customarily performed by audit committees and any other functions delegated by the Board. These will include the following:

(a) Financial Reporting

Review and discuss with management and the external auditors:

- (i) major issues regarding the appropriateness of the Corporation's accounting policies, principles, and financial statement presentation and disclosures and any significant changes;
- (ii) key estimates, judgments and reserves, including key changes and variations;
- (iii) the effect of regulatory and accounting developments on financial statement presentation and reporting;
- (iv) the annual and interim financial statements, having regard for whether such statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”);
- (v) the annual and interim Management’s Discussion and Analysis (“MD&A”);
- (vi) earnings press releases;

- (vii) whether taken together, the financial statements and MD&A constitute a fair presentation of the Corporation's financial position and performance and if appropriate, recommend the financial statements, MD&A and earnings press release to the Board for approval; and
- (viii) the external auditors' report on the annual financial statements and their review of the interim financial statements, as well as any issues raised and management's responses.

(b) Other Financial Information

- (i) review any other news releases and investor presentations containing previously undisclosed material financial information or forward-looking financial information, and report thereon to the Board. Where Board or Audit Committee review is impractical prior to release, authority to review and approve such news releases may be exercised by the Chair of the Audit Committee and the Chairman of the Board, acting together;
- (ii) review any material financial information, including financial statements, contained in any prospectus or other offering or publicly filed disclosure documents and report thereon to the Board; and
- (iii) review the Annual Information Form of the Corporation, and, if appropriate, recommend to the Board for approval.

(c) Oversight of Internal Control over Financial Reporting and Disclosure Controls and Procedures

- (i) review regular reports from management, Internal Audit Services and the external auditors, in order to be satisfied that the Corporation has designed and maintains an effective system of internal control over financial reporting ("ICFR") that provides reasonable assurance over the reliability of financial reporting, with such reports to include any indication of fraud and any corresponding corrective activity undertaken;
- (ii) review regular reports from management, Internal Audit Services and the external auditors, in order to be satisfied that the Corporation has designed and maintains an effective system of disclosure controls and procedures ("DC&P") that provides reasonable assurance that information required to be disclosed by the Corporation is recorded, processed, summarized and reported appropriately;
- (iii) review and discuss with the CEO and the CFO the process for the certifications to be provided in the Corporation's public disclosure documents and the basis for the CEO and CFO's conclusions; and
- (iv) annually assess that adequate procedures are in place for the review of the disclosure of financial information extracted or derived from the Corporation's financial statements to ensure that such information is fairly presented.

(d) Oversight of Risk Management

Enterprise Risk

- (i) oversee the Corporation's enterprise risk management processes for identifying, assessing, managing and, where required, reporting on key and emerging risk exposures;
- (ii) review and recommend to the Board for approval the Corporation's Enterprise Risk Management Policy, including the Enterprise Risk Management Framework and Risk Appetite Statement;

Key Risks

- (iii) review enterprise risk management reports and discuss with the Chief Risk Officer and other management all key enterprise risk exposures including emerging risks (with the exception of risks for which the Management Resources and Compensation Committee and the Brand and Corporate Responsibility Committee have been delegated responsibility by the Board) and the steps management has taken to monitor, control and manage those exposures;
- (iv) quarterly, report to the Board on the key risk exposures and any major issues arising from the management of these risks;

Financial and Credit Risk

- (v) review and discuss the Corporation's significant financial and credit risk exposures and the steps that management has taken to monitor, control and report such risks;

Cyber, Information Security and Data Protection Risk

- (vi) review and discuss the Corporation's cyber, information security and data protection risk exposures and the steps that management has taken to monitor, control and report such risks;

Other Risk Reports

- (vii) review and discuss the Corporation's legal risk exposures and the steps that management has taken to monitor, control and report such risks;
- (viii) review other reports from management in connection with any other risk related matters or policies, oversight of which has been delegated to the Committee;

Changes to Risk Policies

- (ix) review and recommend to the Board for approval proposed changes to all risk-related Board policies, oversight of which has been delegated to the Committee, including the Cyber Risk Management Policy, the Financial Risk Management Board Policy and the Legal Risk Management Board Policy;

Ethical Business Conduct

- (x) review regular reporting from management pursuant to the Ethical Business Conduct Policy (including with respect to the Code of Conduct and Supplier Code of Conduct), including an annual review of the process for monitoring compliance with and communication of the Code of Conduct to the Corporation's employees and directors and gain reasonable assurance that such process is operating effectively;
- (xi) review and recommend to the Board for approval proposed changes to the Ethical Business Conduct Policy, Code of Conduct and Supplier Code of Conduct;
- (xii) consider, and if appropriate, grant waivers of compliance to the Code of Conduct for the benefit of any executive officer;
- (xiii) periodically monitor the Corporation's procedures for (A) the confidential receipt, retention and treatment of complaints received by the Corporation with respect to the Corporation's accounting, internal accounting controls, or auditing matters, and (B) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters, and require that all such matters be reported to the Committee together with a description of the resolution of the complaints or concerns; and

Insurance

- (xiv) review the adequacy of insurance coverages maintained by the Corporation and approve new insurance coverage and renewals thereof, as applicable.

(e) Legal Matters, including Tax and Litigation

- (i) quarterly, review with management any litigation matters, claims or other contingencies, including tax assessments, that could have a material effect upon the financial position or operating results of the Corporation, and the manner in which these matters have been disclosed in the financial statements;
- (ii) discuss with the General Counsel any issues with the Corporation's compliance with laws and regulations having a material impact on the Corporation's financial statements and financial condition;
- (iii) review with management inquiries received from regulators or governmental agencies or published reports that raise issues regarding the Corporation's financial statements, continuous disclosure or accounting policies;
- (iv) review with management the status of material tax matters for the Corporation and its subsidiaries;
- (v) receive an annual confirmation from the General Counsel with respect to the filing of all material corporate and securities filings required to be made by the Corporation and its subsidiaries; and

- (vi) receive an annual confirmation from the Chief Financial Officer (A) with respect to the filing of material income and sales tax returns by the Corporation and its subsidiaries and the payment of amounts owing in a timely manner and (B) that withheld employee source deductions have been remitted in a timely manner by the Corporation and its subsidiaries.

(f) External Auditors

- (i) recommend to the Board the nomination of the external auditors;
- (ii) approve the terms of engagement of the external auditors and, subject to the approval of the shareholders authorizing the Board to do so, recommend to the Board for approval the remuneration to be paid by the Corporation to the external auditors with respect to the conduct of the annual audit;
- (iii) if necessary, recommend the removal by the shareholders of the current external auditor and replacement with new external auditors;
- (iv) conduct a comprehensive review of the performance of the external auditors annually, or more frequently as required, based on the assessment process approved by the Committee;
- (v) receive a letter annually from the external auditors with respect to their independence, such letter to include disclosure of all engagements (and fees related thereto) for non-audit services by the Corporation;
- (vi) maintain a policy with respect to the hiring of partners, employees and former partners and employees of the current and former external auditors;
- (vii) review material written communications between the external auditors and management (including management representation letters);
- (viii) as required, review the timing and the process for implementing the rotation of the lead audit partner and any other audit engagement team partner and confirm their selection;
- (ix) review and, if appropriate, approve the external auditors' audit plan, including the scope of the audit, the areas of special emphasis to be addressed in the audit, the extent to which the external audit can be coordinated with Internal Audit Services' activities and the materiality levels which the external auditors propose to employ;
- (x) meet regularly with the external auditors in the absence of management to discuss any restrictions that may have been placed on the scope and extent of the audit examinations by the external auditors or the reporting of their findings to the Committee;
- (xi) establish effective communication processes with management and the external auditors to assist the Committee to monitor objectively the quality and effectiveness of the relationship among the external auditors, management and the Committee;

- (xii) oversee the work of the external auditors, including the resolution of disagreements between management and the external auditors with respect to financial reporting, through direct reporting by the external auditors to the Committee; and
- (xiii) receive, at least annually, an oral and/or written report from the external auditors describing their internal quality assurance policies and procedures as well as any material issues raised in the most recent internal quality assurance reviews, quality reviews conducted by the Canadian Public Accountability Board, or any inquiry or investigation conducted by government or regulatory authorities.

(g) Internal Audit Services

- (i) review and approve the mandate, reporting relationship and resources of Internal Audit Services to determine its independence and that it has sufficient resources and qualified personnel to carry out its mandate;
- (ii) confirm with the head of Internal Audit Services that he or she is aware of his or her obligation to report directly to the Committee on matters affecting the Committee's duties, irrespective of his or her other reporting relationships;
- (iii) review and approve the annual plan of Internal Audit Services, including the planned scope of its activities, objectives, budget and resources to meet those objectives;
- (iv) review Internal Audit Services' reports with respect to those controls that mitigate strategic, financial and operational risks and any other matters appropriate to the Committee's duties and, where appropriate, review the adequacy and appropriateness of management's response, including the implementation thereof;
- (v) approve the appointment, replacement, reassignment or dismissal of the head of Internal Audit Services, and review the terms of his or her compensation as needed; and
- (vi) meet regularly with the head of Internal Audit Services in the absence of management and the external auditors to understand, *inter alia*, any restrictions that may have been placed on them or other difficulties encountered in the course of their work including instructions on the scope of their work and access to requested information and the level of co-operation received from management during the performance of their work.

(h) Other Key Responsibilities

- (i) except with respect to transactions with Directors who are Associate Dealers of the Corporation occurring in the ordinary course in their capacity as Associate Dealers, review all proposed related party transactions that are not in the ordinary course and are not dealt with by a special committee of independent Directors pursuant to securities law rules and, if appropriate, recommend to the Board for approval;
- (ii) review annually the discretionary expenses of the Chairman of the Board and the Chief Executive Officer for the purpose of gaining assurance as to the appropriateness of such expenses and the presence of any unusual items;

- (iii) periodically review and, where appropriate, recommend to the Board for approval changes to other policies of which oversight has been delegated to the Committee, including the Financial Reporting Board Policy;
- (iv) after consultation with the Chief Financial Officer and the external auditors, gain reasonable assurance, at least annually, of the quality and sufficiency of the Corporation's accounting and financial personnel and other resources, including consultants and systems;
- (v) review in advance the appointment of the Corporation's Chief Financial Officer and the Treasurer of the Corporation;
- (vi) in consultation with management and the external auditors, schedule continuing education opportunities related to the Committee's responsibilities;
- (vii) annually review and approve a report of the Committee's activities for inclusion in the Corporation's management information circular; and
- (viii) perform such other responsibilities and duties that are delegated by the Board to the Committee.

3. Pre-Approval of Non-Audit Services

Pursuant to the External Auditor Independence Policy, all requests for permitted non-audit services to be provided by the external auditors for the Corporation and its subsidiaries and related fees not previously approved by the Committee shall be brought to the attention of the Chair of the Committee before such work is commenced. The Chair is authorized to approve all such requests, but if any such service exceeds or is expected to exceed \$350,000 in fees, or the service is of a sensitive or unusual nature, the Chair shall consult with the Committee before approving the service. The Chair has the responsibility to inform the Committee of all pre-approved services at its next meeting.

4. Composition of the Committee

- (a) The Committee shall be comprised of at least five Directors, each of whom shall be an independent director as defined under the applicable requirements of the securities regulatory authorities. Directors who are employees of the Corporation may not serve as members of the Committee.
- (b) One of the Committee members shall be designated by the Governance Committee as the Committee Chair.

5. Member Qualifications

All members of the Committee shall be financially literate which requires that all Committee members have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

6. Member Appointment and Removal

Committee members shall be appointed annually by the Governance Committee and from time to time thereafter to fill vacancies on the Committee. A Committee member may be removed or replaced at any time in the discretion of the Governance Committee.

7. Operating Procedures

- (a) The Committee shall meet four times annually and as many additional times as necessary to carry out its duties effectively. Unscheduled Committee meetings shall be held at the call of the Committee Chair, upon the request of two Committee members or at the request of the external auditors, and a majority of the members of the Committee shall form a quorum. Notice of the meetings of the Committee shall be provided in accordance with the Corporation's By-Laws.
- (b) The powers of the Committee may be exercised at a meeting at which a quorum of the Committee is present in person or by telephone or other electronic means or by a resolution signed by all members entitled to vote on that resolution at a meeting of the Committee. Each Committee member (including the Chair) is entitled to one vote in Committee proceedings. For greater certainty, the Chair does not have a second or casting vote.
- (c) The Committee Chair and the Chief Financial Officer shall develop the agenda for all meetings of the Committee as well as an annual work plan that are responsive to the Committee's responsibilities as set out in this Mandate as well as the Committee's areas of focus, all in consultation with Committee members, management and the external auditors, as appropriate.
- (d) Unless the Committee otherwise specifies, the Corporate Secretary of the Corporation (or his or her designate) shall act as secretary of the meetings of the Committee, and minutes shall be kept for each Committee meeting.
- (e) The Committee Chair shall conduct all meetings of the Committee at which he or she is present. In the absence of the Committee Chair, the Committee members shall appoint an acting Chair of the applicable meeting(s).
- (f) At each regularly scheduled meeting of the Committee, the members of the Committee shall meet in separate private sessions with the external auditors, management and the Committee members only. The Committee shall meet in private session with the head of Internal Audit Services and with the Chief Risk Officer as often as it deems necessary.
- (g) The Committee Chair may invite any officer or employee of the Corporation or any other person to attend any Committee meetings to participate in the discussion and review of the matters considered by the Committee.
- (h) A copy of the minutes of each meeting of the Committee shall be provided to each Director.

8. Reporting to the Board

The deliberations, decisions and recommendations of the Committee, including with respect to the most significant matters discussed by the Committee, shall be reported to the Board at the Board's next regular meeting.

9. Evaluation and Assessment of this Mandate, the Committee and its Compliance with this Mandate

- (a) At least every three years, the Committee shall review and assess the appropriateness of this Mandate taking into account all applicable legislative and regulatory requirements as well as any best practice guidelines recommended by regulators or stock exchanges with whom the Corporation has a reporting relationship and, if appropriate, recommend changes to the Mandate to the Board for its approval, except for minor technical amendments to this Mandate, authority for which is delegated to the Corporate Secretary or Assistant Corporate Secretary of the Corporation, who will report any such amendments to the Committee and the Board at their next regular meetings.
- (b) The performance of the Committee shall be evaluated at least every two years in accordance with the evaluation process developed and approved by the Governance Committee, and the results of such evaluation shall be reviewed by the Committee.
- (c) The Committee shall develop and recommend to the Governance Committee a position description for the Chair of the Committee. At least every three years, the Committee shall review and update as necessary the Chair's position description and recommend any changes thereto to the Governance Committee for its approval.

10. Advisors

The Committee shall have the authority to retain, at the expense of the Corporation, outside counsel and other advisors as it deems necessary.

11. Responsibilities

Nothing in this Mandate is intended to expand applicable standards of liability under statutory regulatory requirements for the directors or the members of the Committee nor to assign to the Committee the Board's responsibility regarding the Corporation's compliance with applicable laws or regulations.

It is not the duty of the Committee to plan or conduct audits, or to determine that the Corporation's financial statements are complete and accurate and are in accordance with IFRS. Such matters are the responsibility of management and the external auditors, as applicable.

Members of the Committee are entitled to rely in good faith, absent knowledge to the contrary, upon:

- (i) the integrity of the persons and organizations from whom they receive information; and
- (ii) the accuracy and completeness of the information provided.

“Good faith reliance” means that the Committee member has considered the relevant issues, questioned the information provided and assumptions used, and assessed whether the analysis provided by management or the expert is reasonable.