

Canadian Tire Corporation, Limited
Supplier Code of Business Conduct



TABLE OF CONTENTS

- 1. INTRODUCTION3
- 2. APPLICATION3
 - 2.1 Sub-suppliers.....3
- 3. PRINCIPLES OF BUSINESS CONDUCT3
- 4. EXPECTATIONS OF SUPPLIERS4
 - 4.1 Conflict of Interest4
 - 4.2 Compliance with Laws.....4
 - 4.3 Observe Trade Sanctions and Security Laws and Guidelines4
 - 4.4 Freedom of Association5
 - 4.5 Working Hours and Overtime5
 - 4.6 Compensation5
 - 4.7 Child Labour5
 - 4.8 Forced or Involuntary Labour.....5
 - 4.9 Discrimination/Human Rights6
 - 4.10 Prevention of Harassment6
 - 4.11 Disciplinary Practices6
 - 4.12 Occupational Health and Safety (“OHS”)6
 - 4.13 Environmental Protection.....6
 - 4.14 Emissions to Air6
 - 4.15 Confidentiality and Privacy7
 - 4.16 Unlawful Payments7
 - 4.17 Products and Services7
- 5. COMPANY POLICIES.....7
- 6. SUPPLIER CERTIFICATION7
- 7. SUPPLIER ASSESSMENT AND MONITORING8
- 8. ENFORCEMENT OF SUPPLIER COMPLIANCE WITH THE CODE.....8
- 9. REPORTING AND ADDRESSING CODE VIOLATIONS8
- 10. QUESTIONS.....9
- 11. SUPPLIER CERTIFICATION FORM10

1. INTRODUCTION

Canadian Tire Corporation, Limited and its wholly owned subsidiaries (the “Company”) have a long-standing reputation for integrity and trustworthiness among its stakeholders. To maintain this reputation, we expect our suppliers to join our commitment to continuous improvements in environmental stewardship and upholding human rights across our supply chain.

The Supplier Code of Business Conduct (the “Supplier Code”) ensures that our suppliers have a clear understanding of how the Company conducts its business and expects its suppliers to conduct their own businesses. The Company holds its suppliers to the same high standards it has set for itself.

All suppliers to the Company must carefully review and agree to abide by the standards in the Supplier Code as a condition of doing business with the Company.

2. APPLICATION

The Supplier Code applies to all entities that provide products and/or services to the Company, including goods for resale and for the Company’s own use (“Suppliers”).

Suppliers are responsible for complying with the standards and expectations set out in the Supplier Code, including with respect to the conduct of any sub-suppliers, subcontractors, and agents they use in providing products and/or services to the Company.

2.1 Sub-suppliers

Suppliers will certify that their sub-suppliers of materials or finished goods used in the manufacture of finished goods for the Company comply with a set of standards compatible with the Supplier Code. Proof of compliance must be presented upon request.

3. PRINCIPLES OF BUSINESS CONDUCT

The Company is guided by the following principles of ethical business conduct, which suppliers are expected to embody in adhering to the standards and expectations set out in the Supplier Code:

- Comply with applicable laws, regulations, and Company policies and procedures.
- Respect the lives, rights, privacy, and property of others.
- Avoid conflicts of interest in decisions that we determine or influence.
- Conduct business in an honest, fair, and responsible manner.
- Sustain a culture in which ethical conduct is valued and recognized.
- Maintain safe, healthy, and secure work environments.
- Use resources, material, and energy as efficiently and responsibly as possible, and in a way that minimizes environmental impacts in the provision of products and services.
- Foster a business environment that encourages open communication and seeks out, listens, and responds to the ideas and concerns of stakeholders.
- Manage compliance with the Supplier Code as a critical business activity.

The Company will seek to identify and engage suppliers who conduct their business in a manner compatible with these principles of ethical business conduct, and favour suppliers who share its commitments to contribute to improving conditions in communities where they operate. The Company will not knowingly do business with suppliers who do not meet the standards and expectations outlined in the Supplier Code.

4. EXPECTATIONS OF SUPPLIERS

This section sets out the Company's specific expectations regarding the workplace standards and business practices of its suppliers. These expectations are consistent with the Company's values, principles, and policies regarding ethical business conduct.

4.1 Conflict of Interest

The Company expects its employees to treat all current and potential suppliers with honesty, integrity, and respect. However, a conflict of interest arises when an employee or director puts their personal interests, or the interests of a third party, ahead of the Company's. In conducting business on behalf of the Company, employees are bound by the Company's Code of Conduct, including the prohibition of participating in decisions where they have a conflict of interest.

Relationships with the Company's suppliers are a key risk area in which conflicts can arise. As such, suppliers should ensure they:

- Never put employees in a position where personal or financial incentives or interests may impair their judgement or ability to make decisions in the best interest of the Company.
- Avoid forming personal relationships with Company employees that would compromise, or appear to compromise, the independence, integrity, impartiality, or judgment of employees. Where such relationships exist, they must be disclosed.
- Do not offer gifts or entertainment to Company employees that could result in a conflict of interest or violate the Company's policies.
 - Suppliers are reminded that Company employees are required to comply with the Company's Code of Conduct guidelines regarding gifts, entertainment, and travel.
 - Offering ground transportation is acceptable and Company employees may accept use of a supplier's aircraft if it proves time efficient or protects the health and safety of the employees.
 - Token gifts of nominal value (under \$200) and entertainment in the form of meals are also acceptable.
- Only provide product samples to the Company that are necessary for evaluation and testing in accordance with the Company's policies and procedures and avoid the appearance of impropriety.

4.2 Compliance with Laws

The Company is committed to complying with the laws of the places where it conducts business and expects its suppliers to do the same. The Company requires its suppliers to:

- Conduct business honestly and with integrity.
- Understand and comply with all applicable laws.
- Avoid actions that may put the Company at risk of violating the law, or that could be perceived as misleading, defrauding, or exerting undue influence.
- Comply with all applicable Company policies, procedures, and requirements.
- Obtain any required licenses, permits, certifications, registrations, and rights necessary to operate and conduct its business.

4.3 Observe Trade Sanctions and Security Laws and Guidelines

The Company expects that its Suppliers will follow all applicable trade and securities laws and guidelines.

All Supplier and sub-Supplier production locations must be disclosed to the Company, and approved, before production begins.

4.4 Freedom of Association

The Company expects that its Suppliers will recognize employees' rights to freedom of association and collective bargaining including respecting the rights of employees to join an employee association or trade union, or refrain from doing so, without interference, in accordance with applicable law.

4.5 Working Hours and Overtime

Suppliers will not exceed prevailing local work hours except where employees are appropriately compensated for overtime. The Company is in favour of suppliers who use less than sixty-hour work weeks and allow employees at least one day off in seven days or equivalent leave privileges.

4.6 Compensation

Suppliers must provide wages and benefits that meet or exceed the requirements of local laws and are paid and provided in a timely manner.

Suppliers must not make illegal or excessive wage deductions, withhold wages, delay wage payments, or pay wages irregularly.

The Company also encourages its suppliers to commit to the improvement of wages and benefits to improve the lives of employees and their families in the communities where they live.

4.7 Child Labour

The Company will not tolerate the use of underage labour and will not knowingly work with suppliers that utilize underage workers. The Company defines an underage employee as any individual younger than the local minimum working age or the age of 14, whichever is older.

Suppliers must comply with all age-related working restrictions as set by local law and adhere to international standards as defined by the International Labour Organization regarding age-appropriate work.

In addition, with respect to young employees, suppliers must:

- Remove young employees from any hazardous work or source of hazard immediately when such cases are identified and redefine their scope of work without any loss of income.
- Ensure that (a) the kind of work is not likely to be harmful to young employees' health or development, and (b) their working hours allow their attendance in school or their capacity to benefit from training or instruction programs.

4.8 Forced or Involuntary Labour

The Company expects that its suppliers will:

- Not use forced or involuntary labour including coerced or bonded, exploited, trafficked, or indentured labour in its operations and supply chains.
- Be aware of indicators of forced or involuntary labour and actively address them, including implementing systems to monitor for signs of trafficking or exploitation.
- Not require employees to pay recruitment fees or costs or to deposit funds, with the Supplier as a condition of their employment or pay fees as a form of discipline. Suppliers will ensure that labour agencies used by the Supplier, particularly with respect to recruitment for migrant workers do not engage in any of these practices.
- Allow employees freedom of movement and not restrict this freedom by keeping employees' personal identity documents or other valuable possessions, controlling employees through debts owed, or not accepting their right to terminate their employment upon reasonable notice.

4.9 Discrimination/Human Rights

Suppliers must not discriminate against their employees in hiring practices or any other term or condition of work (other than legitimate occupational requirements allowed by law) on the basis of race, ancestry, place of origin, colour, ethnic origin, citizenship, religion, faith, political opinion, sex, sexual orientation, gender expression, age, marital status, same-sex partnership status, family status, or disability.

4.10 Prevention of Harassment

Suppliers must not engage in, condone, or tolerate physical, verbal, mental, or sexual harassment against or among their employees.

4.11 Disciplinary Practices

Suppliers will not use corporal punishment or other forms of mental or physical coercion.

4.12 Occupational Health and Safety (“OHS”)

The Company expects suppliers to take responsibility for the safety and wellbeing of their employees and to:

- Provide a safe, clean, and healthy work environment, including ensuring facilities are structurally sound, fit for purpose, compliant with electrical and fire safety laws and standards, and well maintained.
- Provide access to clean and sanitary facilities and clean drinking water.
- Implement appropriate procedures and safeguards to prevent accidents and injuries to employees, including proper maintenance, monitoring, and inspection routines, employee training and protection, and fire safety measures.
- Take appropriate steps to protect employees from exposure to harmful chemicals, infectious disease, and other similar risks, including any restrictions on hazardous work for young employees.
- Allow for employee participation in OHS committees to ensure active cooperation between management and employees (or employee representatives) to develop and sustain systems ensuring a safe and healthy work environment.
- Provide reporting channels where employees can raise concerns anonymously and free from retaliation.

4.13 Environmental Protection

Suppliers will comply with all applicable environmental laws and regulations in their country of operation and, where applicable, the laws that govern the importation and sale of products in Canada, as well as all applicable Company policies.

The Company is committed to complying with environmental laws and advancing sustainability in retail and encourages suppliers to develop their own sustainability goals. In addition to complying with all relevant environmental laws and regulations, the Company expects its suppliers will:

- Strive to reduce the environmental impact in its operations, and properly manage potable water, wastewater, storm water, waste, emissions, and recyclable materials.
- Handle, store, transport, and dispose of fuel, chemicals, and hazardous waste responsibly.

4.14 Emissions to Air

Suppliers must install and maintain appropriate air emissions control devices to ensure air pollutant emissions do not exceed legally required levels.

4.15 Confidentiality and Privacy

Suppliers will not disclose to others or use for their own purposes, or the purposes of others, any trade secrets, confidential information, knowledge, designs, data, skill, or any other information which the Company identifies to the supplier as confidential.

In accordance with the intent of the Company's Privacy Policy, suppliers will respect the privacy of personal information they collect, use, or disclose as a consequence of their business relationship with the Company.

4.16 Unlawful Payments

It is never acceptable for any employee to pay or accept any bribe, kickback, or other unlawful payment or benefit to secure any concession, contract, or other favourable treatment.

We expect suppliers to support the Company's compliance with applicable anti-corruption laws and policies and to uphold these same values in their business.

- Do not accept, give, offer, authorize, or promise to give a bribe, kickback, or other unlawful payment or benefit, including money or anything else of value, to any person, including any government official, in order to improperly influence any act or decision or to otherwise secure any concession, contract, or other favourable treatment.
- Comply with relevant anti-corruption laws.
- Immediately report any circumstances involving unlawful payments to the Company, including attempts that were not successful.

4.17 Products and Services

Suppliers will supply only products and/or services that comply with the Company's specifications and all applicable Canadian legal requirements. Suppliers will cooperate fully with the Company and take appropriate steps, including notification of the Company's customers and public product recalls, to address any health, safety, environmental, or regulatory issues associated with their products and/or services.

5. COMPANY POLICIES

The Company has adopted policies dealing with, among other things, disclosure and insider trading. In this respect, suppliers may from time to time obtain confidential undisclosed information about the Company, the public disclosure of which could have an effect on the value or price of the Company's publicly traded debt and equity securities. Suppliers are not permitted to disclose to any person any such information about the Company. In addition, securities laws in most jurisdictions prohibit any person in possession of any such undisclosed information from trading in securities of the Company until such information has been publicly disseminated.

6. SUPPLIER CERTIFICATION

Suppliers are expected to either sign the attached form, sign a contract which incorporates the Supplier Code, or provide a copy of their internal code of conduct for the Company to review and determine if such code meets or exceeds the Company's standards.

The Company will determine the cadence of these certification processes and suppliers will comply with these processes.

7. SUPPLIER ASSESSMENT AND MONITORING

The Company reserves the right to assess and monitor, on an ongoing basis, a supplier's practices regarding the Supplier Code.

The Company, or a third party designated by the Company, may periodically conduct on-site assessments of selected supplier facilities that produce finished goods for the Company. The Company or a third party designated by the Company may also periodically conduct on-site assessments of selected sub-supplier facilities that produce materials or finished goods for the Company or its Suppliers. Assessments may include a review of relevant supplier records as well as inspection of the facility for compliance with the Supplier Code.

The Company will determine the frequency and extent of the assessments and ongoing monitoring. All costs associated with the assessments and ongoing monitoring will be borne solely by the supplier.

8. ENFORCEMENT OF SUPPLIER COMPLIANCE WITH THE CODE

Suppliers who do not meet the requirements of the Supplier Code may, where considered appropriate by the Company, be provided with the opportunity to bring their business up to the Company standards in a reasonable time frame. The Company reserves the right to terminate its business relationship with any supplier who fails to comply with the Supplier Code.

9. REPORTING AND ADDRESSING CODE VIOLATIONS

As a part of the Company's culture of integrity, it is important that non-compliant and unethical matters are reported. The Company encourages anyone that has knowledge of or suspects suspicious activity, unethical practices, non-compliance with laws and regulations, the Supplier Code or other Company policies and procedures shared with suppliers, to speak up by reporting any violations or potential violations through the following channels:

Triangle Ethics Office
c/o Canadian Tire Corporation, Limited
2180 Yonge Street
Toronto, Ontario
M4P 2V8

Phone: 416-480-8202
Email: TEO@cantire.com

Triangle Ethics Office Hotline
Toll-free (Canada and the US): 1-800-620-6943
Toll-free (China): 400-120-0349

Web Reporting
<http://www.canadiantire.ethicspoint.com/>

Reports to the Triangle Ethics Office Hotline and Web Reporting may be made anonymously. The Company values suppliers, related parties, and employees who speak up, as this fosters a culture of transparency and trust. The Company will make every effort to investigate all reported violations in a discreet, fair, and confidential manner and will take appropriate action to maintain the integrity of its business.

The Company prohibits retaliation or reprisal against anyone who speaks up in good faith.

10. QUESTIONS

Suppliers should direct any questions they may have regarding the Supplier Code to the Company employee with whom they normally deal or to the Triangle Ethics Office, Triangle Ethics Office Hotline, or Web Reporting.

11. SUPPLIER CERTIFICATION FORM

Canadian Tire Corporation, Limited Standards of Supplier Conduct

I acknowledge that I have received a copy of the Supplier Code of Business Conduct [Version 2.0] (the "Supplier Code"), that I have read and understood the contents, and that my company agrees to abide by the Supplier Code.

To the best of my knowledge, my company is in compliance with the Supplier Code.

I have the authority to bind the company named below.

Name: _____

Position Title: _____

Supplier: _____

Signature: _____

Dated this _____ day of _____, in the year _____.

Please return a signed copy of this document to the attention of: _____