CANADIAN TIRE CORPORATION, LIMITED
GOVERNANCE COMMITTEE MANDATE

1. Purpose of the Committee

The Board of Directors (the "Board") of Canadian Tire Corporation, Limited (the "Corporation") has established the Governance Committee (the "Committee") to assist the Board with its oversight responsibilities with respect to, among other things:

(a) corporate governance policies and practices;

(b) board renewal and committee composition;

(c) board effectiveness and performance assessments;

(d) director education and orientation;

(e) director compensation; and

(f) shareholder engagement.

2. Responsibilities of the Committee

(a) Corporate Governance Policies and Practices

The Committee shall be responsible for:

(i) developing, updating and monitoring the Board's approach to corporate governance and the Corporation's corporate governance standards, as reflected in the Corporation's policies and practices, having regard for the Corporation's Brand Purpose and values, regulatory requirements, and best practices, with a view to continuously improving such standards;

(ii) receiving updates from management on a periodic basis regarding the latest regulatory requirements, as well as best practices in corporate governance, and updating the Board on corporate governance issues as necessary;

(iii) annually reviewing and recommending to the Board the disclosure of the Board's approach to corporate governance contained in the Corporation's management information circular ("MIC");

(iv) reviewing every three years the mandate of the Board and recommending any changes to the Board;

(v) reviewing every three years the adequacy of the position descriptions for the Chairman of the Board, and committee Chairs, as well as the expectations of directors, and approving any changes; and

(vi) periodically reviewing and approving any changes to the Say on Pay Policy.

(b) **Board Renewal and Committee Composition**

The Committee shall be responsible for overseeing Board renewal, and in connection therewith:

(i) evaluating the current composition of the Board in light of the Corporation's strategies and risks, current and anticipated priorities, the Board's skills matrix and the Board Diversity Policy, the results of director performance assessments, director tenure, and plans for succession;

(ii) identifying and recommending to the Board qualified individuals for election or appointment to the Board, after having considered the current composition of the Board, independence considerations and other legal requirements, the Board's Overboarding Policy, interlocking directorships and the results of due diligence reviews, and following consultation with the controlling shareholders and C.T.C. Dealer Holdings Limited in respect of their proposed nominees;

(iii) maintaining an evergreen list of qualified prospective director candidates, having regard for the foregoing considerations;

(iv) annually reviewing and approving any changes to the director skills matrix to ensure that the highest priority skills for effectively overseeing the management of the Corporation are represented on the Board;

(v) reviewing every two years the Board Diversity Policy and recommending any changes to the Board, and annually assessing the policy's effectiveness;

(vi) periodically reviewing and approving any changes to the Overboarding Policy;

(vii) reviewing any material relationships identified by the directors to assess their independence, in accordance with applicable securities laws or other regulatory requirements;

(viii) approving the appointment or removal of the members and Chairs of the Audit Committee, the MRCC and the Brand and Corporate Responsibility Committee, having regard for the appropriate composition, size, independence requirements and required competencies of each such committee;

(ix) recommending to the Board the appointment or removal of the members and Chair of the Governance Committee, having regard for the appropriate composition, size, independence requirements and required competencies of the Governance Committee;

(x) recommending to the Board the appointment or removal of the members and Chairs of ad hoc or special committees of the Board, having regard for the appropriate composition, size, independence requirements and required competencies of such committee. Where a decision of the Committee is required between meetings, the Committee Chair and Chairman of the Board shall develop the recommendation to the Board;

(xi) recommending to the Board the appointment or removal of the Chairman of the Board; and

(xii) preparing for succession, emergency or otherwise, for the Chairman of the Board position.

(c) **Board Effectiveness and Performance Assessments**

The Committee shall be responsible for:

(i) developing a process for, and conducting every two years, an assessment of the performance, effectiveness and contributions of the Board, the committees of the Board (including the Chairs of the committees), the Chairman of the Board and individual directors, as well as the effectiveness of the Board's relationship with management, and reporting on the results of such assessments to the Board, and as applicable, the respective committees and individual directors; and

(ii) supporting the Board in identifying areas for improvement and aligning on actions to enhance Board effectiveness.

(d) **Director Education and Orientation**

The Committee shall be responsible for:

(i) ensuring that each new director participates in an orientation process that includes appropriate onboarding materials and meetings with key executives;

(ii) ensuring that ongoing education opportunities are made available to all directors to support their effective oversight.

(e) **Director Compensation**

The Committee shall be responsible for:

(i) reviewing every two years the form and amount of director compensation for Board and committee service, including service as Chairman of the Board or committee Chair, to ensure that it is commensurate with the responsibilities of the directors, and competitive with other companies that are comparable in size and complexity with the Corporation's business, and recommending any changes to the Board;

(ii) reviewing every two years the Director Expense Reimbursement, Benefit and Travel Policy and recommending any changes to the Board; and

(iii) periodically reviewing the Director Share Ownership Guidelines and recommending any changes to the Board.

(f) **Shareholder Engagement**

The Committee shall be responsible for:

(i) receiving regular updates from Investor Relations, including with respect to shareholder engagement activities and key investor trends and developments; and

(ii) overseeing and approving plans for Board and shareholder engagement.

(g) **Other Key Responsibilities**

The Committee shall be responsible for:

(i) periodically reviewing the Corporation's Articles and By-Laws and recommending any changes to the Board;

(ii) periodically reviewing the Majority Voting Policy and recommending any changes to the Board;

(iii) recommending to the Board whether to accept resignations tendered by directors pursuant to the Majority Voting Policy;

(iv) facilitating certain emergency CEO succession matters;

(v) annually reviewing and approving a report of the Committee's activities for inclusion in the MIC;

(vi) providing input to management with respect to the Corporation's nominees for election or appointment to the board of trustees of CT Real Estate Investment Trust ("CT REIT") and the board of directors of Canadian Tire Bank ("CTB"), including the proposed candidate for appointment as Chairman of the Board of CTB. Where input is required between meetings of the Committee, the Committee Chair and the Chairman of the Board shall attend to the foregoing matters and report thereon to the Committee;

(vii) providing input to management with respect to the proposed candidate for appointment as the Chief Executive Officer of CT REIT;

(viii) reviewing in advance the appointment of the Corporate Secretary of the Corporation; and

(ix) performing such other responsibilities and duties that are delegated by the Board to the Committee.

3. <u>Composition of the Committee</u>

(a) The Committee shall be comprised of at least three directors, each of whom shall be an independent director, as defined under the applicable requirements of the securities regulatory authorities.

(b) Each member of the Committee shall have or develop an understanding of corporate governance issues.

(c) One of the Committee members shall be designated by the Board as the Committee Chair.

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

4. <u>Operating Procedures</u>

(a) The Committee shall meet three 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, or upon the request of two Committee members, 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 Corporate Secretary shall develop an annual work plan and agendas for all meetings of the Committee that are responsive to the Committee's responsibilities as set out in this Mandate, all in consultation with Committee members and management, 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 present shall appoint an acting Chair of the applicable meeting(s).

(f) A portion of each of the Committee's regularly scheduled meetings shall be conducted with no members of management present.

(g) The Committee Chair may invite any member of management or any other person to attend any Committee meetings to participate in the discussion and review of the matters considered by the Committee.

5. <u>Reporting to the Board</u>

The decisions and recommendations of the Committee shall be reported to the Board at the Board's next regular meeting.

6. <u>Evaluation of this Mandate</u>

Every three years, the Committee shall review and assess the appropriateness of this Mandate taking into consideration all applicable legislative and regulatory requirements as well as any best practices recommended by regulators or stock exchanges with whom the Corporation has a reporting relationship and recommend any changes to the Mandate to the Board, 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.

7. Advisors

The Committee shall have the authority to retain, at the expense of the Corporation, outside counsel and other advisors as it deems necessary, and shall be entitled to rely in good faith upon any report by any advisor. The Committee shall also have the authority to approve the proposed fees of these advisors and any other terms of engagement.