



CANADIAN TIRE CORPORATION

2025 ESG Report

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Canadian Tire store – Ottawa, Ontario

A Word from Our CEO



At Canadian Tire Corporation, we have always believed in our ability to help Canada thrive.

For more than a century, the fabric of our company – from our values to our offerings – has been tied to our country. That’s clear in our Brand Purpose, *We Are Here to Make Life in Canada Better*. And it’s clear in the decisions we make.

Our commitment to Canada goes beyond national pride. It’s ingrained in the relationships we’ve built over generations with the communities where we live and work, and it’s fundamental to the way we do business. This past year, that commitment took on new meaning. As our country faced geopolitical fissures, economic headwinds, and the loss of long-standing companies, we were reminded that to many Canadians, we serve a purpose greater than retail. We play a trusted role in Canadian life.

Our decision to steward the beloved brands of Hudson’s Bay Company, including the HBC coat of arms and the HBC Stripes, reflects that. These brands represent centuries of national heritage. Keeping them in Canadian hands allows us to preserve and strengthen their story for generations to come. We also believe they make us a stronger Canadian company.

At Canadian Tire, we know that our success is inextricably tied to the success of the communities we serve. That’s why in 2025, we launched a transformative growth strategy called *True North* – a plan for a new era of business. But, more than just a business strategy, *True North* is our promise to Canada. By modernizing our systems, leveraging data and technology, and reshaping how our banners, brands and partners work together to serve Canadians, we are building a blueprint for long-term prosperity for our employees, vendors, Dealers, communities and country.

Our environmental, social and governance (ESG) efforts are a critical part of that strategy. To achieve prosperity for our company and country tomorrow, there must be a foundation of responsible action today. In 2025, our team continued to make significant strides across our business, and I am grateful for their efforts.

Among our **environmental** highlights, we opened our inaugural net-zero-ready store, designed to reduce energy consumption, and launched a pilot program to increase in-store energy efficiency through electrified heating, ventilation and air conditioning units in various stores. Across the country, we continued to investigate opportunities to reduce operating emissions, and we look forward to seeing the impact of this exploration.

We remained committed to building a better Canada for all in 2025 and drove meaningful **social** change. Jumpstart marked its 20th anniversary with Game Day celebrations attended by close to 5,000 Canadians, and its year-long fundraising efforts supported more than 680 community sport organizations. Our partnership with the Gord Downie & Chanie Wenjack Fund expanded with a new commitment to Oshki Wupoowane | The Blanket Fund, which empowers Indigenous and Indigenous-led projects and organizations. And we continued to advance gender equity in sport through our Women’s Sport Initiative. We proudly invested in women’s professional leagues including the PWHL, NSL and WNBA. By the end of 2025, 45% of all of our sports sponsorship dollars were going to women’s sport.

In 2025, good **governance** remained central to our success. We prioritized ethical operations, cultural integrity and responsible innovations. Throughout the year, we continued to deploy AI in our retail operations, focused on surfacing more personalized and meaningful value for customers. As with any new technology, the need for guardrails was paramount. Our work was guided by a comprehensive risk-based AI Governance

Framework aligned with global standards and supported by enterprise-wide employee education. We are investing to ensure that our teams are equipped with the necessary skills to use modern technology responsibly.

Overall, I am proud of what we accomplished in 2025. Our actions helped further the trust Canadians put in us. We were named the number one Canadian brand on Léger’s list of Most Reputable Companies, the most Canadian brand by The Harris Poll, and one of the most trusted brands in Canada by Newsweek. Those recognitions demonstrate the importance of what we’ve built – generational relationships with Canadians who aren’t just confident in Canadian Tire as a retailer, but in Canadian Tire as a positive force in Canadian life.

We have a responsibility to our country, and as we continue to transform our business, that responsibility feels even more important. With the launch of *True North*, we have begun to create a more connected, more modern and more resilient company – bringing benefits to Canadians now and for generations to come.

Best,

Greg Hicks

President and CEO
Canadian Tire Corporation

Acknowledgement of Peoples and Lands

At Canadian Tire Corporation (CTC), *We Are Here to Make Life in Canada Better*. Recognizing and honouring the original stewards of the lands and waterways we call home is an essential part of this commitment.

Our head office, located in what is currently known as Toronto, is covered by Treaty 13, signed with the Mississaugas of the Credit, and the Williams Treaties, signed with multiple Mississauga and Chippewa bands. This location is situated on the traditional territory of the Anishinaabeg, Huron-Wendat and Haudenosaunee Nations. Long before Canada was a country, strong nations and cultures existed here – and they continue to exist. The lands on which we operate, in what is currently known as Canada, have been the site of human activity for approximately 15,000 years. Today, they continue to be home to many First Nations, Inuit and Métis communities from across Turtle Island, also known as North America.

We at CTC are grateful to operate on these lands and waterways, which provide us the space and means to create welcoming environments and add value to the lives of Canadians. This gratitude strengthens our commitment to ongoing reconciliation – promoting awareness, education and community support as we move forward together.

Our journey towards reconciliation has been shaped by the guidance and partnership of Indigenous leaders from across Turtle Island. We are deeply grateful for their knowledge, wisdom and collaboration. We are proud to work with many elders and Indigenous organizations, including the First Peoples Group, the Gord Downie & Chanie Wenjack Fund,

and Rise Consulting. Together, we strive to build and sustain relationships rooted in respect, dignity, trust and cooperation.

In 2025, CTC's support for truth and reconciliation came to life through collaboration and key initiatives, including our support for the Orange Jersey Project, our virtual learning and

reflection opportunities for all employees, and deepening our commitment to the Oshki Wupoowane | The Blanket Fund.

Read more about our approach to cultivating belonging in the [Talent, Culture & Belonging](#) section of this report.



Illustration of Indigenous artwork titled *Seven Grandfather Teachings* by August Swinson in the Legacy Space at the Canadian Tire Corporation head office – Toronto, Ontario

About this ESG Report

This report provides an overview of our approach to environmental, social and governance (ESG) issues, the actions and initiatives taken for our priority ESG topics, and key highlights for the year.

This report includes disclosure against certain industry standards, including those of the Sustainability Accounting Standards Board (SASB), an independent standards-setting organization that provides comparable sustainability metrics for public companies to disclose decision-useful information to investors. Our SASB index includes metrics from the Multiline and Specialty Retailers & Distributors industry standard as the Company's primary standard, with Apparel, Accessories & Footwear and Consumer Finance serving as secondary standards. We also include our Climate Data Index, which provides a detailed overview of our energy consumption and greenhouse gas (GHG) emissions in the 2025 calendar year. For more details, refer to the [Climate Data Index](#) section of this report.

SCOPE

The findings of our 2025 ESG Report are inclusive of the activities and outcomes of the Company and all entities controlled by it, which, for greater certainty, includes Canadian Tire Bank (CTB) and CT REIT, throughout the Company's 2025 fiscal year (December 29, 2024, to January 3, 2026), unless otherwise indicated. Where relevant and appropriate, we have also included stories and achievements from Canadian Tire Jumpstart Charities (Jumpstart), Canadian Tire Associate Dealers (Dealers), and our franchisees and independent retailers. For more information on CT REIT's ESG efforts, visit [their website](#) to read the latest CT REIT ESG Report.

On May 31, 2025, the Company sold its Helly Hansen business to Kontoor Brands, Inc. As such, the activities of the Helly Hansen business have not been included in this ESG Report.

Unless otherwise indicated, all references to employees across this ESG Report include full-time and part-time employees of CTC and do not include employees of Jumpstart, Dealers, franchisees or independent retailers.

A glossary, which sets out definitions of key terms and acronyms that are not otherwise defined in this ESG Report, along with notes on trade names, trademarks and service marks, is located at the [end of this report](#).

ASSURANCE

CTC received limited assurance from Deloitte LLP with respect to select metrics in our Climate Data Index, which is further explained in this [limited assurance report](#). CTC did not seek or receive external assurance from third parties with respect to other information contained in this ESG Report.



REPORT ARCHIVE

Our previous ESG-related reports, including standalone reports on topics like community impact and environmental sustainability, can be accessed online [here](#).

FORWARD-LOOKING INFORMATION

This ESG Report contains information that may constitute forward-looking information within the meaning of applicable securities laws. This information reflects management's current expectations regarding future events, the Company's *True North* strategy and approach to key ESG topics, strategies and targets. All statements other than statements of historical facts contained in this document may constitute forward-looking information. Readers are cautioned that such information may not be appropriate for other purposes. The Company is not required under securities law to prepare or publish this ESG Report, and the information contained herein should therefore not be read as necessarily rising to the same level of materiality of disclosure required in its securities law filings.

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", "target", "forecast", "anticipate", "aspire", "foresee", "continue", "ongoing" or the negative of these terms or variations of them or similar terminology.

By its nature, forward-looking information is based on estimates and assumptions and information currently available to the Company. These assumptions include those set out in section 16.0 (Caution Regarding Forward-Looking Information) of the Company's 2025 Fourth Quarter and Full-Year Management's Discussion and Analysis and all subsections therein, as well as the following: no material changes to the Company's strategic and capital allocation priorities, financial performance, corporate growth and development plans, as well as assumptions with respect to the viability and availability of decarbonization technologies and industry-specific solutions, the availability of high-quality and accurate data, and the active and continued participation of the Company's stakeholders (including Dealers, vendors, and governmental and non-governmental organizations)

with respect to ESG matters. There can be no assurance that the estimates and assumptions upon which forward-looking information is based will prove to be correct.

Although the Company believes that the forward-looking information in this ESG Report 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 CTC's business and operational risks include risks with respect to strategic agility, franchise operations, brand and reputation, geopolitical conditions (including tariffs), talent, macroeconomic conditions, technology infrastructure, emerging and disruptive technology, cyber security, data and privacy, third parties, supply chain, responsible sourcing, loyalty program, competitive environment, customer trends, seasonality, legal, climate change, ESG and business disruptions. Some of CTC's financial risks include risks with respect to credit, liquidity, market, commodity price and insurance.

For more information on the material risks, uncertainties, factors and assumptions that could cause the Company's actual results to differ materially from the forward-looking information, refer to section 16.0 (Caution Regarding Forward-Looking Information) of the Company's 2025 Fourth Quarter and Full-Year Management's Discussion and Analysis, available on the SEDAR+ website at <http://www.sedarplus.ca> and <https://investors.canadiantire.ca>. The forward-looking information contained herein is based on information, estimates and assumptions as of the date hereof. The Company does not undertake to update any forward-looking information, whether written or oral, except as is required by applicable laws.

About Our Business

For over a century, our Company has been guided by the innovative and entrepreneurial spirit of its founders.

Starting from a single garage established in 1922 by brothers A.J. and J.W. Billes, Canadian Tire Corporation (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, CTC has one of the largest retail store networks in

Canada, with retail stores operated by the Company, Dealers and franchisees, and gas bars operated by independent retailers. Our retail offerings are composed of Owned Brand products we control and design, along with national brand products.

CTC also maintains one of the country's largest loyalty programs, Triangle Rewards, and a credit card portfolio with 2.3 million active credit cardholders through CTB. In addition, CTC holds a majority interest in CT REIT, which owns, manages and develops income-producing commercial properties across Canada.

OUR BANNERS AND BUSINESSES



OUR BRAND PURPOSE

As one of Canada's most iconic and trusted companies, we owe it to the customers and communities we serve to make our country a better place for today's generation and the generations to come. *We Are Here to Make Life in Canada Better.*

OUR CORE VALUES

Our Core Values help to guide our actions in pursuit of our Brand Purpose.

- We are **innovators** and **entrepreneurs** at our core.
- **Outcomes** drive us.
- **Inclusion** is a must.
- We are **stronger together**.
- We take **personal responsibility**.

CTC at a glance¹



Over
1,400
retail stores and
275
gas bars



100+
Owned Brands²



Nearly
12,000
full-time and
17,000
part-time employees³



700
electric vehicle
charging ports



10+
cities home to CTC corporate
offices across Canada



480+
Dealers operating
502 Canadian Tire stores and
69 Party City stores



2,200+
vendors from whom we
source our retail products



14
Canadian distribution
centres across **four**
provinces



12.2
million
active Triangle Rewards
members



\$16.3
billion
in revenue generated
and close to **\$362 million**
of dividends paid to
shareholders



190+
franchised locations
under our Sports Experts,
Atmosphere, Hockey
Experts, Sports Rousseau/
L'Entrepôt du Hockey, and
Mark's/L'Équipeur banners



**An international
presence**
with retail sourcing offices
in Bangladesh, Hong Kong,
Vietnam and China

¹ All facts and figures are as at the end of fiscal 2025.

² Owned Brands include private label brands, sub-brands and exclusive licenses.

³ These figures refer to permanent employees, and do not include the employees of Dealers, franchisees and independent retailers.

Our Approach to ESG

Our approach to managing environmental, social and governance (ESG) topics informs how we operate: building on our strengths, contributing to our competitiveness and underscoring our dedication to building a better future for all Canadians.

For over a century, we have been committed to supporting the well-being of communities across this country through providing high-quality products and services for the jobs and joys of life in Canada, and by providing employment opportunities for Canadians across the country.

At CTC, we focus our ESG efforts on the topics with the greatest potential to positively impact both our business and the communities we serve. These priority topics reflect a strong connection to our Brand Purpose, are important to our key stakeholders and align with our enterprise capabilities. Through our *True North* strategy, we are well positioned to manage our priority ESG topics. In 2025, our commitment to ESG was recognized by several organizations, including [Canada's Best Employers for Company Culture](#), [Leger's Top 10 Most Reputable Companies in Canada](#), and [The Harris Poll Canada's Corporate Reputation Quotient](#). We continue to be included in the [MSCI ACWI ESG Leaders Index](#).

In 2021, we conducted a materiality assessment, which included external research and benchmarking, focused stakeholder engagement, internal analysis and discussion, and review by senior management and the Brand and Corporate Responsibility Committee of the Board. Through this assessment, we identified the most relevant ESG topics to our organization, which we have organized into four pillars: Environment, People & Community, Responsible Sourcing, and Governance. In recognition of the dynamic nature of ESG challenges and expectations, these topics are regularly reviewed and updated to reflect emerging trends and the needs of our stakeholders.

Environment

- [Climate Change](#)
- [Circularity: Product, Packaging & Operational Waste](#)



Responsible Sourcing

- [Supply Chain: People & Planet](#)
- [Product Safety & Quality](#)



People & Community

- [Talent, Culture & Belonging](#)
- [Community Impact](#)



Governance

- [Corporate Governance](#)
- [Business Ethics](#)
- [Privacy & Cyber Security](#)





Environment

Climate Change

OUR APPROACH

ADAPTING TO A CHANGING CLIMATE

At CTC, we strive to manage how our business contributes to, and is impacted by, the effects of climate change. This includes our efforts to both mitigate the impacts and harness the opportunities that climate change may have on our business and operations.

Our ability to make climate-informed decisions relies on our understanding of the risks and opportunities that a changing climate poses to our business. We use historical data and our retail expertise to evaluate the short-term risks of climate change to our business, and periodic external climate risk and opportunity assessments to understand the scope of potential impacts in the medium to long term.

In 2025, our efforts were focused on gathering data to inform the development of a climate resiliency strategy – work that will be continuing into 2026. We are also evaluating various initiatives to address key climate-related risks and opportunities, including integrating climate-related insights into real estate decision-making and leveraging AI within our crisis management and emergency response protocols to monitor weather and natural disaster events.

DECARBONIZING OUR BUSINESS

We have been measuring our GHG emissions since 2010. In 2025, our Scope 1 emissions increased 1% from the prior year to 67,324 tCO₂e and our Scope 2 (location-based) emissions decreased 4% from the prior year to 26,820 tCO₂e. Our Scope 3 emissions increased 5% from the prior year to 5,997,313 tCO₂e.

In 2025, we explored opportunities to improve the energy efficiency of our buildings, advance electrification, and implement renewable energy solutions. These efforts included piloting electrified HVAC units at five Mark's and ten Canadian Tire stores across the country, conducting a preliminary assessment of renewable energy options such as power purchase agreements, and continuing to invest in net-zero-ready (NZR)⁴ Canadian Tire stores.

Our first NZR store opened in Kelowna, British Columbia, and features an enhanced building envelope to reduce energy consumption, an electrified heating system, and design provisions to accommodate future rooftop solar panels. Performance data will be collected to help inform future prototype designs.

Scope 3 emissions represent the vast majority of our footprint. These emissions, which arise primarily from the manufacture of our products and use of those products by customers, accounted for 98.5% of our total reported GHG footprint. For more information on our efforts to reduce these emissions, read our sections on [Circularity: Product, Packaging & Operational Waste](#) and [Supply Chain: People & Planet](#).

An archive of past reports that speak to our historical emissions is available online [here](#). To learn more about our 2025 GHG reporting, including a full description of our organizational boundaries and methodology, please read the [Climate Data Index](#) in this ESG Report.

CT REIT BUILDING CERTIFICATIONS AND AWARD

Building certifications give tenants and stakeholders confidence that CT REIT is meeting well-defined operational or sustainability standards. CT REIT is working towards certifying multiple buildings with the Building Owners and Managers Association (BOMA) BEST program, which assesses building sustainability, focusing on buildings managed by CT REIT's property management team. As part of the certification process, CT REIT completes energy, carbon, water, waste, building material and indoor air quality audits or assessments at these properties, and in 2025, received BOMA BEST certifications for eleven of its buildings. CT REIT also received an international The Outstanding Building of the Year (TOBY) award from BOMA in the Open-Air retail category. This award recognizes operational best practices and excellence in building management at the REIT's multi-tenant retail property located at Lake Shore Boulevard East in Toronto, Ontario, which is anchored by a Canadian Tire store.

ELECTRIC VEHICLES

We continue to roll out EV charging solutions at select Canadian Tire stores and Petroleum gas bars (including select ONroute locations) nationwide. In 2025, 48 EV charging ports⁵ at 10 new locations were added to the charging network, bringing the total to 700 charging ports at 161 CTC locations from coast to coast. Since 2017, our charging network has enabled over 2.5 million charging sessions, and 93% of Canadian EV owners are within a 50-kilometre driving distance of one of these locations. Additional resources for EV owners are available on our dedicated [electric vehicle website](#), which features product information, educational content, and a map of CTC's charging network across Canada.



Electric vehicle charging stations at a Canadian Tire Store – Welland, Ontario

i Additional Information

- [2025 Report to Shareholders \(Section 11.0 Risks and Risk Management\)](#)



⁴ CTC's net-zero-ready (NZR) store and future NZR stores are built to our NZR prototype, which has notably reduced energy demand through energy-efficient design. These stores are capable of achieving net-zero operational GHG emissions through the integration of additional measures, such as renewable energy.

⁵ As of 2025, CTC is reporting the number of charging ports in our network, as opposed to the number of charging stations, to better reflect network capabilities and align with industry advancements.

Circularity: Product, Packaging & Operational Waste

OUR APPROACH

REDUCING THE ENVIRONMENTAL IMPACT OF OUR PRODUCTS

Most of our impact on the environment comes from the products and services we provide to Canadians. While this applies to all products we sell, we have greater control over our Owned Brand products and therefore a heightened responsibility. Our Owned Brand teams look for appropriate opportunities to reduce the environmental impact of our products, informed by market trends, customer preferences and material and manufacturing advancements. This includes incorporating recycled materials and safer chemical alternatives into our product assortment. Examples of our Owned Brands that have integrated recycled materials in a number of products include CANVAS, Forward With Design, and WindRiver.

To support this, our custom-built circular product training program encourages employees to think creatively and critically about the lifecycle of their designs, from material sourcing to end-of-life disposal. This includes finding ways to design and produce our products using fewer and/or environmentally preferred materials, and improving products' reusability, reparability or recyclability.

INCREASING THE SUSTAINABILITY OF OUR PACKAGING

As our fibre-based Owned Brand product packaging can be easily recycled through curbside recycling programs, our sustainable packaging efforts are currently focused on reducing or improving plastic packaging. This is a multi-stakeholder endeavour that requires developing data collection processes, collaborating with our packaging suppliers and vendors, and implementing changes along the manufacturing and assembly process.

ADVANCING CIRCULARITY: FROM 2025 TARGETS TO THE CPP'S 2035 ROADMAP

As a Founding Partner of the Canada Plastics Pact (CPP), we remain committed to the CPP's goal of eliminating plastic waste, which we address through our packaging efforts, and accelerating a circular economy for plastics. In 2023, CTC adopted three targets in alignment with CPP's 2025 goals to demonstrate our commitment to reducing our contributions to plastic waste. By the end of 2025, our results were as follows:

FINAL RESULTS: 2025 PACKAGING TARGETS

Target

Results as of December 31, 2025

Define a list of our Owned Brand plastic packaging that is problematic/unnecessary and take measures to eliminate those materials by 2025

We have defined a list of problematic plastics and banned these materials from newly-developed Owned Brand plastic packaging.

In 2025, we continued to prioritize the removal of polyvinyl chloride, expanded polystyrene, polyethylene terephthalate glycol (PETG) and multi-material laminated plastics from our existing Owned Brand plastic packaging. Our efforts focused on Canadian Tire, as it represents the largest opportunity for packaging improvement. Of the 86% of our Canadian Tire Owned Brand products where we have secured visibility into plastic packaging materials, 22% had plastic packaging that contained problematic plastics in 2025. We are collaborating with our vendor partners on plans to transition these products' plastic packaging to alternative materials for future purchases.

Design 100% of our Owned Brand plastic packaging to be reusable or recyclable by 2025

Similarly to the above, we prioritized our Canadian Tire Owned Brand packaging in our efforts related to plastic packaging reusability and recyclability in 2025. We have secured visibility into Owned Brand plastic packaging materials for 86% of our Canadian Tire Owned Brand products, of which 91% are currently fully reusable or recyclable. We continue to work with our vendors to fill the visibility gaps and collaborate with them directly to advance progress on our goals.

Ensure an average of 30% recycled content in our Owned Brand plastic packaging by 2025

We continue to work with the industry to increase the amount of recycled content in our Owned Brand plastic packaging. Our efforts have received industry recognition, with the nomination of select Frank's Peanuts and select Golfgreen products for the Sustainable Design category at the PAC Global Awards.

However, making progress against this target is challenging in the absence of a robust market for recycled plastic, which is reflected in the CPP's new Roadmap to 2035 (see below). To support the development of such a market, we collaborate in industry initiatives and seek vendor partners who can use recycled materials collected through extended producer responsibility programs. For example, we partnered with EXI-plast Custom Moulding to introduce recycled content collected in Canada to the MotoMaster oil container.

In December 2025, CPP released its annual [Impact Report](#), offering insight into managing plastic packaging beyond 2025. Data from the report has been used to develop the CPP's Roadmap to 2035, which provides members with an updated path toward creating a circular economy for plastics. In line with this guidance, our targeted efforts to embed circularity into packaging and product design are continuing. Our focus in 2026 will include continued packaging data collection and validation to further support the integration of post-consumer recycled materials in Owned Brand plastic packaging and products, and applying harmonized design guidelines to improve packaging for recycling.

REDUCING OUR OPERATIONAL WASTE

At CTC, we continue to look for opportunities to reduce our operational waste, or divert waste away from landfills through reuse, recycling and composting initiatives. As of December 31, 2025, CTC generated 37,800 tonnes of waste, diverting 32,700 tonnes and achieving an operational waste diversion rate of 86%.⁶

We also made good progress against our waste diversion goals, as outlined below. Moving forward, we will aim to maintain these waste diversion rates through actions such as employee education, clear signage and collaboration with our service providers.

PROGRESS ON CTC WASTE TARGETS

Target	Measurement as of December 31, 2025
Achieve a 90% waste diversion rate at CTC distribution centres by 2025	91%
Achieve a 90% waste diversion rate at our SportChek, Atmosphere, Mark's, PartSource and Pro Hockey Life retail stores by 2025 ⁷	89%
Achieve a 60% waste diversion rate at Petroleum gas bars by 2025	59%

PROMOTING REPAIR THROUGH POST-PURCHASE SERVICE

Another way to reduce product waste is to help customers extend the life of their products. We support this by running a Post-Purchase Program through our Customer Relations Call Centre in Welland, Ontario, which answered over 100,000 customer requests for post-purchase support in 2025. This program helped extend the life of over 16,700 Owned Brand products by providing customers with replacement parts and product repairs.

GIVING A SECOND LIFE TO DENIM

In 2025, Mark's partnered with Goodwill to pilot a Denim Takeback program in Alberta and Ontario stores. Triangle Rewards members were encouraged to drop off used denim in exchange for a coupon towards their next denim purchase. The used items were then donated to Goodwill for reuse or resale, helping to reduce denim waste and supporting Goodwill's mission. Over 1,300 kilograms of denim were collected and donated to Goodwill by December 31, 2025.

REFILLING AND RECYCLING TO REDUCE WASTE

Our extended producer responsibility programs and other voluntary collection initiatives support reuse and recycling efforts, helping to keep materials out of landfills. In 2025, more than 1.1 million automotive batteries and over 200,000 automotive parts were collected through these programs, diverting more than 43.8 million pounds of material from landfill.

We also continued our battery collection efforts in partnership with Call2Recycle, building on long-standing single-use and rechargeable battery collection at Canadian Tire stores. In 2025, 336 participating Canadian Tire stores collected over 139,000 kilograms of used single-use and rechargeable batteries for recycling. In addition, our CO₂ refilling program diverted the equivalent of over 1 million used CO₂ canisters from landfill in 2025.

In 2025, we also expanded our network of bulk windshield washer refill stations to 56 refill stations across 19 Petroleum gas bars (including select ONroute locations). Equipped with gas pump-like nozzles, these refill stations allow customers to fill their vehicle's windshield wiper fluid reservoir with the exact amount they need, rather than having to purchase and pour from a conventional plastic jug of windshield washer fluid. During the 2025 calendar year, usage at our refill stations has diverted the equivalent of 3,972 kilograms of plastic containers from Canadian landfills.



EcoTank windshield washer fluid refill station, Canadian Tire Gas+ gas bar – King City, Ontario

i Additional Information

- [2024–25 CPP Impact Report](#)

⁶ Aggregating the data for our operational waste reporting is challenging given the multiple actors and commercial relationships involved. We are working to expand our scope of visibility regarding waste generation and diversion at locations connected to CTC. The scope of our operational waste footprint today represents approximately 39% of CTC-affiliated locations and is generally focused on corporate-controlled operations where CTC has the responsibility to manage the waste. It does not include locations where the landlord or municipality has responsibility to control the waste, or our Dealer and franchisee locations.

⁷ This includes waste data from all standalone Atmosphere stores until their closure. The last standalone Atmosphere store closed in July 2025.



People & Community

Talent, Culture & Belonging

OUR APPROACH

At CTC, we invest in talent, culture and belonging to drive innovation, sustain competitive advantage and foster long-term growth.

In 2025, we launched our *True North* transformative growth strategy, which introduced a more integrated operating model that is agile, can operate with scale and delivers customer value. The transformation led to meaningful changes across the business, including a targeted restructuring, to better position CTC for long-term competitiveness and growth.

Building on this foundation, a key focus area for 2026 is the cultivation of a high-performance culture that strengthens accountability, capability and readiness to lead change. In support of this, we are investing in our people through programs that support family, flexibility and career growth, including investments in AI tools and future-skills training.

Maximizing performance through workforce management

ATTRACTING TOP TALENT

Attracting talent is critical to the long-term success of our business. Our recruitment efforts are designed to reach candidates across a broad range of backgrounds, career paths and experience levels, with a continued focus on expanding diverse talent pipelines. In 2025, we continued our partnership with the North York Harvest Food Bank (NYHFB) to expand its Leadership in Logistics program, which provides warehouse logistics training and experience to individuals facing food insecurity. Graduates are offered full-time, entry-level employment at CTC distribution centres.

CULTIVATING GROWTH WITH LEARNING AND DEVELOPMENT PROGRAMS

Learning and development programs enhance employee skills, foster adaptability and build a high-performing workforce that supports long-term organizational growth and success.

As part of our commitment to developing talent and supporting employees in reaching their full potential, we provide extensive upskilling and reskilling opportunities through the Triangle Learning Academy (TLA), our in-house educational platform. TLA offers both in-house and digital on-demand learning designed to support personal growth, professional development and the achievement of our business goals. In 2025, TLA offered more than 14,000 online learning programs to corporate employees, including mandatory digital training for new hires, foundational leadership training for new managers, and new programs aligned with organizational strategy and team effectiveness. Our performance management program also supports employee learning and development through continuous, open dialogue and coaching to drive achievement of both business and people objectives.

ESTABLISHING STABILITY AND CONTINUITY THROUGH SUCCESSION PLANNING

Succession planning is crucial for long-term business sustainability, as it ensures a pipeline of capable leaders. CTC continues to run programs and processes to cultivate a strong pipeline of diverse talent that is ready to progress into future leadership roles. This involves a focus on succession planning processes and the active development of key talent across the organization. Emergency succession plans are also in place should an unexpected departure occur for a critical role within the organization.

Driving employee engagement

Fostering a motivated, productive workforce through active employee listening and engagement is key to driving continuous improvement and informed decision-making.

LEARNING AND EVOLVING THROUGH EMPLOYEE LISTENING

Throughout 2025, we conducted targeted, high-frequency employee pulse surveys that provided real-time insights during a period of transformation. These insights informed decisions related to team experiences as we undertook major organizational change, return-to-office implementation and the adoption of new ways of working. In 2026, we will launch an enhanced enterprise-wide listening program aligned with our refreshed culture model to ensure employee feedback continues to inform meaningful action.

PROMOTING WELL-BEING WITH HEALTH AND WELLNESS PROGRAMS AND INITIATIVES

To boost employee well-being, reduce absenteeism, and enhance productivity, we prioritize holistic employee wellness through comprehensive health and wellness initiatives and retirement and savings programs. Our Triangle Flex Benefits program offers employees flexible health and dental benefits, virtual healthcare services and support for overall wellness. With respect to mental health, our partners at the Centre for Addiction and Mental Health (CAMH) continued to engage and seek input from employees in 2025, including through focus groups, to help inform our approach to cultivating psychological safety and belonging.



PartSource employee – Hamilton, Ontario

Cultivating diversity, inclusion & belonging (DIB)

A commitment to DIB is fundamental for driving innovation, enhancing decision-making and creating a workplace where all employees feel valued and empowered. At CTC, we actively foster a culture that values diverse perspectives and provides equitable opportunities. For more details on our DIB efforts, including those highlighted below, refer to our [2025 Diversity, Inclusion & Belonging Year-in-Review report](#).

SUPPORTING AND FOSTERING A DIVERSE WORKFORCE

Our Diverse Workforce Plan is built upon policies and programs that foster equitable opportunities at CTC. It leverages high-impact talent management practices to create an attractive work environment and provide career advancement opportunities while addressing the needs of equity-deserving communities at CTC.

In 2025, we completed an enterprise-wide assessment of our approach to accessibility. Drawing on expertise from an external consultant and input from a cross-enterprise Accessibility Advisory Committee, the assessment uncovered insights and practices to support our people and communities, such as actions to deepen our impact for employees and customers with disabilities.



Pro Hockey Life employees – Hamilton, Ontario

ENHANCING INCLUSION WITH EMPLOYEE INCLUSION NETWORKS

Employee Inclusion Networks (EINs) – formerly known as Employee Resource Groups (ERGs) – promote an inclusive workplace, support diversity initiatives and foster a sense of belonging that enhances employee satisfaction, retention and collaboration. CTC’s EINs include networks for women, Black, Asian, and 2SLGBTQ+ employees, among others. In 2025, we hosted over 30 events and activations to celebrate the diverse cultural heritage of our employees, drive awareness of important issues and support community initiatives.

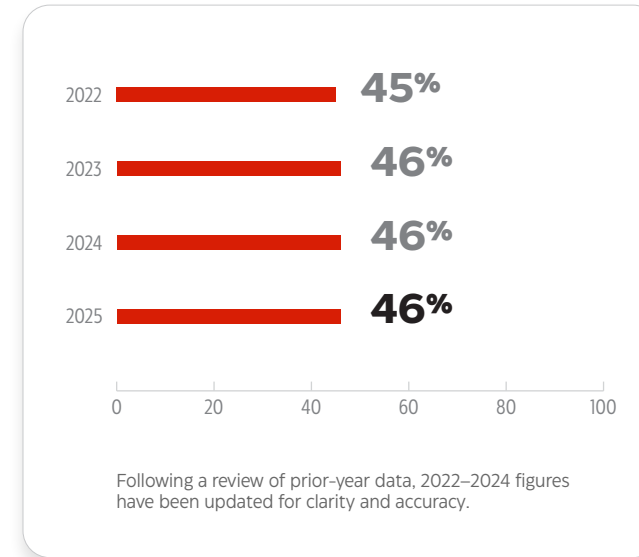
INCREASING WOMEN’S REPRESENTATION AND OPPORTUNITIES FOR DEVELOPMENT

Gender equity programs are key to building an inclusive workplace, supporting women’s talent development and leadership, and strengthening a culture that values diverse perspectives. Women continue to make up more than half of our workforce (52%) and a third of our executive management⁹ team (33%). We remain focused on advancing gender equity by tracking progress and expanding initiatives that support women’s career growth. These include initiatives led by our Women’s Leadership Network and Families @ the Tire EINs, as well as sponsorship and coaching opportunities.

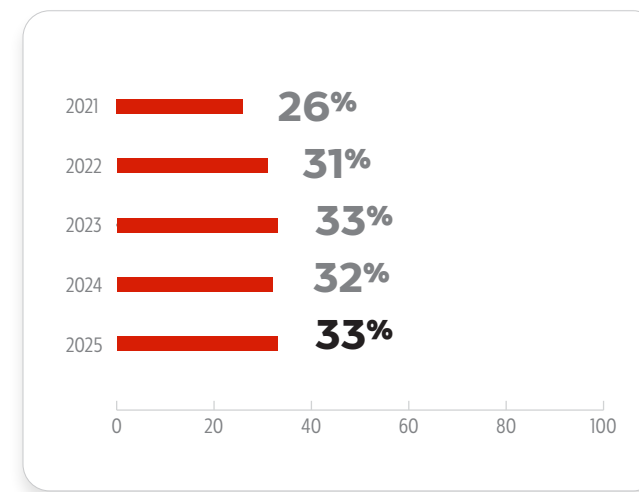
POWERING PRODUCTIVITY WITH AI

At CTC, we recognize AI’s potential to remove routine work and unlock higher-value, more creative contributions from our teams. In 2025, approximately 400 senior leaders received training on an AI-powered digital assistant to support their daily work and productivity. In 2026, we aim to extend this capability to all corporate employees, alongside AI leadership training that supports continuous learning and adaptability.

Women in Management Roles⁸:



Women in Executive Management Roles⁹:



CHAMPIONING DIVERSITY AND BELONGING: CTC’S COMMITMENT TO INCLUSION

In 2025, CTC was recognized as one of [Canada’s Best Diversity Employers](#), highlighting our commitment to workforce diversity and the advancement of our inclusion programs. This achievement reflects the dedication of employees across the organization who bring our DIB strategy to life.

i Additional Information

- [2025 Diversity, Inclusion & Belonging Year-in-Review report](#)

⁸ Management includes all employees at the manager level and above.

⁹ Executive management at CTC refers to leaders of the organization and its subsidiaries, including CTB and CT REIT, at the SVP, EVP and C-suite levels.

Community Impact

OUR APPROACH

HELPING LOCAL COMMUNITIES

Our success is rooted in the communities where we live and work, and contributing to the well-being of those communities is central to our Brand Purpose. In 2025, we provided donations to a range of organizations, including continuing our partnership with Canadian Forces Morale and Welfare Services. In addition to our funding of various events, more than 3,000 Canadian-themed care packages were distributed to Canadian Armed Forces members stationed abroad during the holiday season through our expanded support for Operation Santa Claus.

We also remain committed to supporting those on the ground when the unexpected happens. In 2025, we continued our long-standing partnership with the Canadian Red Cross, supporting its mission of improving the lives of vulnerable people and providing emergency response assistance. In 2025, in response to the devastating wildfires across the country, CTC donated \$200,000 to the Red Cross's Canadian Wildfire Fund and facilitated over \$75,000 in additional customer donations to support relief and rebuilding efforts.



Interior of Canadian Tire store in Edmonton, Alberta

SUPPORTING AND STRENGTHENING CANADA

In 2025, we stayed focused on our Brand Purpose, *We Are Here to Make Life in Canada Better*, which guided our decisions, from how we supported customers navigating economic challenges to how we invested in our communities. We delivered everyday value through the announcement of new loyalty partnerships with prominent Canadian brands. We completed over 50 store enhancement projects nationwide and announced the revitalization of our Toronto corporate headquarters and surrounding neighbourhood – initiatives that help ensure our presence supports long-term community vibrancy and economic opportunity. We also became the home for HBC's iconic Canadian brands, safeguarding an essential part of our national heritage. As part of that acquisition, we are proud to expand our partnership with the Gord Downie & Chanie Wenjack Fund to support Oshki Wupoowane | The Blanket Fund, a national initiative that empowers Indigenous and Indigenous-led cultural, artistic and educational projects and organizations.

DEALERS SUPPORTING THEIR COMMUNITIES

No one understands Canadians quite like our Dealers. They are independent entrepreneurs who support their communities through hundreds of activities, donations and sponsorships. The following stories are just a few examples of how our Dealers helped their communities in 2025:

- [Jonquière Canadian Tire provides vital support for local hospital](#)
- [Canadian Tire partnership expands Active Star program in Prince George](#)
- [Prince Albert Canadian Tire hosts 17th annual Shop with a Cop event](#)
- [Owners of Canadian Tire Belleville make \\$100,000 pledge to Belleville General Hospital Foundation](#)



Dennis and Sheila McCullough (centre), owners of the Canadian Tire store in Belleville, Ontario, present their donation to representatives of the Belleville General Hospital Foundation. For details, refer to the story link above. Photo courtesy of Belleville General Hospital Foundation.

DRIVING INCLUSION IN SPORT

Guided by our Core Value that Inclusion is a must, we are committed to advancing equity and inclusion by supporting equal access to sport and recreation at all levels. In 2025, our Women’s Sport Initiative (WSI) continued to build momentum. This multi-million-dollar commitment aims to level the playing field by directing at least 50% of our annual sponsorship spend to women’s professional sports by the end of 2026. By the end of 2025, we had reached 45% through key partnerships and the WSI’s dedicated media fund, which aims to increase the visibility of women’s sport across broadcast, digital and social platforms. Our sponsorships included ongoing support for the Professional Women’s Hockey League (PWHL), the Northern Super League (NSL), the WNBA, Tennis Canada and Women’s Para Hockey Canada.

Beyond women’s professional sports, CTC remains a proud Premier National Partner of Canada’s Olympic and Paralympic Committees, having supported Team Canada athletes for the Milano Cortina 2026 Olympic and Paralympic Winter Games.

MARK’S AND COVERGALLS TEAM UP TO SUPPORT WOMEN IN TRADES

In 2025, Mark’s Commercial partnered with Ontario-based Covergalls to distribute their workwear designed specifically for women in trades and heavy industries. Engineered to better fit the female form, Covergalls’ innovative designs, including coveralls, flame-resistant hoodies and high-visibility workwear, are available for sale through [Mark’s Commercial online](#) and in select Mark’s stores. The partnership aims to expand to additional locations in the future, further supporting inclusivity and equity in traditionally male industries.

SUPPORTING JUMPSTART IN ACHIEVING ITS MISSION

2025 was a year of celebration as Canadian Tire Jumpstart Charities (Jumpstart) marked its 20th anniversary. Since 2005, Jumpstart has been helping kids and families overcome financial and accessibility barriers to sport and play. CTC is proud to be Jumpstart’s biggest supporter, providing funding for all general administrative expenses to ensure that 100% of donations go directly towards helping kids participate. Our customers, employees, Dealers, vendors and other CTC business partners also contribute through fundraising and volunteering, and collectively we raised close to \$25.4 million in 2025. This in turn provided funding to over 689 community sport and recreation organizations in Canada. Jumpstart and its supporters have helped 4.5 million kids since 2005¹⁰, including more than 535,000 in 2025 alone.

Complementing its financial contributions, Jumpstart continues to work to build a safe, inclusive and accessible sports landscape in Canada. Since 2022, Jumpstart has facilitated the Play to Lead program to offer girls and their coaches leadership training and mentorship in an effort to advance gender equity in sport. In 2025, Jumpstart launched three new program cohorts, in Vancouver, British Columbia; Saskatoon, Saskatchewan; and Calgary, Alberta, reaching 113 high-school-aged girls. To empower kids beyond organized sport, Jumpstart has also supported the development of 54 inclusive play spaces in Canada since 2017, including three play spaces that officially opened in 2025.

In celebration of 20 years of removing barriers to sport and play, Jumpstart held its inaugural Game Day celebration, hosting events in Toronto, Calgary and Montreal, while also supporting various community organizations in hosting events of their own. Across the country, nearly 5,000 Canadians attended a Game Day celebration, making this Jumpstart’s largest single-day event to date.

Learn more about Jumpstart’s work in its latest [Annual Report](#).

CELEBRATING A CHAMPION FOR INCLUSIVITY AND EQUITY IN SPORT

Martha Billes, a director of the Company, successor to the Company’s founders, and Founder and Chairman Emeritus of Canadian Tire Jumpstart Charities, received Canada’s highest sporting honour, the [Order of Sport](#), in October 2025. As Founder of Jumpstart, Martha helped open doors for countless children and families across Canada, championing inclusion, accessibility and the power of play.



Martha Billes – photo courtesy of Canada’s Sports Hall of Fame



Photo courtesy of Jumpstart

i Additional Information

- [Jumpstart Annual Report](#)
- [Latest Economic Impact Report](#)

¹⁰ Based on the total number of participants in sport and recreation provided through Jumpstart’s Individual Child, Community Development, Parasport Jumpstart Fund Grants, Sport Relief Fund, Play from Home, and Strategic Partnerships since 2005.



Responsible Sourcing

Supply Chain: People & Planet

Our global supply chain connects people around the world to deliver quality, value-driven products to Canadians. We recognize that with this reach, there are social and environmental impacts associated with the decisions we make. While we do not own or operate the factories that produce the products we sell, we are committed to upholding human rights across our supply chain. It is important to us that our suppliers' employees be safe, paid fairly and treated with respect and dignity, and that we work together to minimize harm to the environment.

OUR APPROACH

COMMUNICATING STANDARDS AND EXPECTATIONS FOR OUR VENDORS

Our Supplier Code of Business Conduct (the Supplier Code) outlines the standards we expect our vendors to adhere to, covering topics such as occupational health and safety, child labour, forced or involuntary labour, compensation and human rights.

In 2024, we completed our Supplier Code refresh, strengthening and clarifying our expectations of our suppliers. The revised Supplier Code was rolled out to new and existing merchandise vendors starting in Q1 of 2025, who either sign on to the Supplier Code or provide a copy of their internal code that meets or exceeds our standards. Read the standards of our [Supplier Code here](#). We are also continuously monitoring best practices in supply chain standards, and we engage our vendors to review and address new areas of concern as they arise.

The content and implementation of the Supplier Code is the responsibility of our Chief Ethics Officer and the Triangle Ethics Office, and any material changes must be approved by the Board. Our Responsible Sourcing team operationalizes the Supplier Code through several activities, including:

- Scheduling third-party audits of our Owned Brand vendors and reviewing reports for risks.
- Collaborating with vendors and factory management to develop continuous improvement plans to generally improve audit performance and enhance responsible sourcing practices, or implement corrective action plans for any non-conformances.
- Working with our internal leaders to risk-assess their vendor relationships and report on compliance and corrective action.

CTC employees who interact with vendors and factories are also trained on our Supplier Code to support the identification and prevention of non-conformances against our standards.



Workers at a garment manufacturer – Bangladesh

OUR GLOBAL SOURCING NETWORK

We work with a global network of over 2,200 merchandise vendors in 83 countries to bring our products to our store shelves. In 2025, the top 10 countries we sourced from (based on dollars spent) were:

- China
- Canada
- United States of America
- Vietnam
- Mexico
- Bangladesh
- Cambodia
- Malaysia
- Taiwan
- Israel



SUPPLY CHAIN TRANSPARENCY

Our global sourcing network is composed of a series of suppliers, each of which plays a role in the sourcing, production and manufacturing of products before they arrive on our store shelves. The factories that supply finished goods directly to CTC are referred to as our Tier 1 suppliers, and the legal entity with which CTC deals directly and that owns or contracts with that Tier 1 supplier is referred to as our “vendor.” Our Tier 1 suppliers acquire inputs from other suppliers, which are considered our Tier 2 suppliers, and so on.

As we have the most visibility and influence over our Tier 1 suppliers, we are currently focused on advancing responsible sourcing efforts at this level of our supply chain.



TIER 1 OWNED BRAND SUPPLIER LIST: APPAREL, FOOTWEAR AND ACCESSORIES

We publish a list of our Tier 1 Owned Brand apparel, footwear and accessories supplier factories, which can be found [here](#).

UPHOLDING WORKERS’ RIGHTS AND SAFE AND FAIR WORKING CONDITIONS ACROSS OUR SUPPLY CHAIN

At CTC, we apply a risk-based approach to managing our supply chain and we deploy compliance mechanisms proportionate to the risk. As a retailer that sells both Owned Brand and national brand products, we more actively manage sourcing risk in connection with the production of our Owned Brand products and generally look to and rely upon the efforts made by our national brand vendors to address sourcing risks within their own supply chains. As a result, we focus most of our compliance verification and improvement efforts on factories that manufacture our Owned Brand products, with additional consideration for factory location (e.g., region and country), the stringency of local laws and results from past audits.

To ensure that our responsible sourcing standards are upheld by our global service providers, all CTC Owned Brand vendors are subject to a rigorous process that starts before we initiate work and continues throughout our relationship.

Our Responsible Sourcing Process



FACTORY CAPABILITY ASSESSMENT

All potential Owned Brand vendors must provide or complete a valid social compliance audit for each factory they work with. Most of our audits are leveraged through the amfori Business Social Compliance Initiative (BSCI) standards, but factories may also submit a valid third-party audit report (referred to as a shared audit) produced against an approved social audit standard, such as Sedex Members Ethical Trade Audit (SMETA), Social Accountability International (SA8000), Worldwide Responsible Accredited Production (WRAP), Social & Labor Convergence Program (SLCP), Better Work, or Ethical Supply Chain Program (ESCP). We also leverage virtual audits for factories under access restrictions or where local auditors are limited.



SUPPLIER CODE

Once we have agreed to work with a vendor, they are required to either sign and attest to our Supplier Code or provide their standards that meet or exceed our own. The Supplier Code is supported by an audit process and resources that we provide to vendors to help them understand and apply our policies.



RISK ASSESSMENT

We assess all our vendors to determine the appropriate level of monitoring to employ. This risk assessment process is ongoing, and we periodically review our risk assessments based on current geopolitical situations or changing industry trends. In 2025, our priority risk areas were:

- ▶ Forced labour risks associated with the treatment of migrant workers and unfair recruitment practices
- ▶ Poor worker safety
- ▶ Restriction on workers’ right to freedom of association
- ▶ Lack of visibility beyond Tier 1 suppliers

To mitigate risk of non-conformance with the Supplier Code, we regularly inspect factories during the selection process and through our auditing program. We also rely on worker helplines and grievance mechanisms, as well as periodic on-site presence on factory floors.



ONGOING FACTORY AUDITS

Based on our risk assessment, our vendors are audited periodically for compliance against our Supplier Code. In the case of strong factory audit performance, follow-up audits generally occur at least every two years. In other cases, continuous improvement plans are developed with the vendor and factory management, non-conformances are addressed collaboratively, and more frequent follow-up audits are implemented.

We aim for 100% of our Tier 1 Owned Brand supplier factories to have a valid audit. In 2025, we assessed 1,638 audits of factories manufacturing our Owned Brand products across 28 countries. These audits, conducted through globally recognized third-party audit firms, virtual audits or shared audits that meet our standards, accounted for 97% of our Tier 1 Owned Brand supplier factories, with the remainder of audits either in progress, or incomplete due to supplier locations where qualified third-party auditors are limited.

Metric	2025	2024	2023
# of Tier 1 Owned Brand supplier factories	1,684	1,637	1,542
# of Tier 1 Owned Brand supplier factories with a valid audit	1,638	1,586	1,486
% of Tier 1 Owned Brand supplier factories with a valid audit	97%	97%	96%

2023 and 2024 figures have been restated to exclude the Helly Hansen business

ADDRESSING NON-CONFORMANCES WITH OUR OWNED BRAND VENDORS

We strive for all our Tier 1 Owned Brand supplier factories to demonstrate their commitment to the standards of our Supplier Code. When areas needing improvement are identified, our Responsible Sourcing team works with vendors and factory management to develop a corrective action plan. Actions may include worker remediation, increased documentation to verify that policies and procedures are executed consistently, photo or video documentation of physical changes to buildings or equipment, termination of an abusive employee, or the cessation of the business relationship with the factory. All corrective action plans are verified by follow-up audits and/or appropriate third-party confirmation.

In 2025, our audit program identified five priority non-conformance incidents¹¹ related to our Supplier Code, which equates to 0.3% of audits that were assessed. These priority non-conformance incidents were related to bribery (1), significant safety risks (1), abuse or harassment (2), and forced or bonded labour (recruitment fees) (1). Our Responsible Sourcing team worked with the vendors and factory management to develop corrective action plans and will verify that the plans were implemented to address the identified issues.

¹¹ Priority non-conformance incidents are critical infractions falling within one of five categories: child labour, forced or bonded labour, bribery, abuse or harassment, and significant safety risks.

COLLABORATING WITH OTHERS TO SHAPE THE INDUSTRY

Improving working conditions along our supply chain is most effective through collaboration. CTC joins its peers in the retail industry to amplify a set of common expectations to drive better outcomes for everyone who brings our products to life.

In 2025, we participated in [amfori's](#) Member Advisory Council, representing North American amfori members and supporting many amfori initiatives, including updates to the amfori BSCI code of conduct and other standards and policies. Throughout the year, we dedicate resources to supporting amfori due to its importance in establishing a common set of auditing priorities in the industry. Similarly, to help us identify industry and country-specific risks, and to collaborate more closely with our peers, we sit on the Responsible Sourcing Committees of the Retail Council of Canada and the Retail Industry Leaders Association.

In 2019, CTC became a founding member of [Nirapon](#), an organization aimed at promoting a culture of worker safety in Bangladesh. As founding member, CTC plays a leadership role on the organization's Board of Directors and in its Member Engagement Committee, supporting Nirapon in working with factories in Bangladesh to develop a culture of safety and reduce risks for workers. This is achieved through the worker helplines and safety training for factory workers and managers. Additionally, CTC and fellow members actively monitor ongoing systems and processes at factories to ensure safety is embedded in operations.



Photo courtesy of Nirapon

SOURCING PREFERRED RAW MATERIALS

Mark's continues to play a leading role in our efforts to limit the environmental risks of our sourcing practices, with a focus on apparel. As cotton is a key material in Mark's products, we have prioritized improving the sustainability of the cotton supply chain, particularly around water and pesticide use.

Since 2011, Mark's has partnered with CottonConnect to support the development of sustainable, transparent and resilient raw material supply chains. Through the REEL Cotton Training Program, we help fund programs to equip farmers in China and India with the knowledge to grow cotton more sustainably. In 2025, Mark's transitioned more than 2 million units of clothing to cotton sourced from CottonConnect affiliated farms – a roughly 122% increase from 2024.

LIMITING THE ENVIRONMENTAL IMPACT OF OUR SUPPLY CHAIN

Our focus on improving the efficiency of our transportation network helps drive environmental improvement. In 2025, we opened a new distribution centre in Vancouver, resulting in approximately 600,000 fewer kilometres travelled by delivery truck and rail. We also introduced several new technologies to reduce the fuel consumption of our delivery trucks. By optimizing the flow of goods, our Transportation Management System reduces the distance driven by our trucks on each store delivery, while a new AI tool is helping to improve fuel consumption by identifying efficiencies related to driver performance. For example, it provides greater visibility into idle-time data prompting incentives for drivers to turn off their engines during long queues. In 2026, as more data becomes available, we will look to assess and monitor the emissions savings from these initiatives.



Delivery truck approaching a Canadian Tire store

i Additional Information

- [Supplier Code of Business Conduct](#)
- [Supplier List](#)
- [Forced Labour and Child Labour Report](#)

Product Safety & Quality

We prioritize product safety, quality and durability to help ensure customers can use our products with confidence. This focus is supported by dedicated engineering expertise, compliance and quality controls, customer feedback, and ongoing monitoring of regulations and recalls.

OUR APPROACH

ENSURING THAT OUR PRODUCTS ARE SAFE FOR CUSTOMERS

Across CTC, our Enterprise Product Quality team works with our product development teams and vendors to ensure compliance with local product safety laws and company standards and develops training for applicable employees. Our product safety and compliance expectations apply to all products that we sell through our stores: national brand vendors are responsible for providing us with sufficient evidence of compliance, while Owned Brand vendors are subject to regular in-house and third-party testing, as well as product evaluations during the development and prototype stages. This testing includes, but is not limited to, chemical, material, safety, performance, functionality and durability evaluations, and certain testing occurs during the product life cycle to ensure product consistency. We are guided by a risk framework that implements further testing and inspection plans against the highest risk and most impactful products. We also subject all our high-risk Owned Brand products to third-party testing.

With over 100¹² Owned Brands encompassing thousands of products, we spent over 4,350 person-days assessing factory capabilities and monitoring production in the factories of our manufacturing partners in 2025. We work diligently to ensure that our products remain safe and do not pose a risk to human health or the environment when correctly used and disposed of properly. We often exceed government requirements, designing products with scientifically proven safer substances and chemical alternatives.

All CTC Owned Brand products must adhere to our principles-based [Safer Chemicals Policy](#). Additionally, in 2025, CTC adopted the bluesign Restricted Substances List (RSL) for textile products, which is aligned with global standards and regulations from international jurisdictions. The bluesign RSL also incorporates substances from the RSLs produced by the Apparel and Footwear International RSL Management (AFIRM) Group and the American Apparel and Footwear Association (AAFA). Implementation is being phased in, targeting high-risk products.

When the unfortunate situation of a product recall occurs, our top priority is to inform customers who may have purchased that product. In addition to amplifying the manufacturer's message, we use our available Triangle Rewards membership data to reach customers directly to reduce the likelihood that they experience harm. Of the thousands of Owned Brand products sold, one consumer recall was issued in 2025 involving two products.^{13,14}

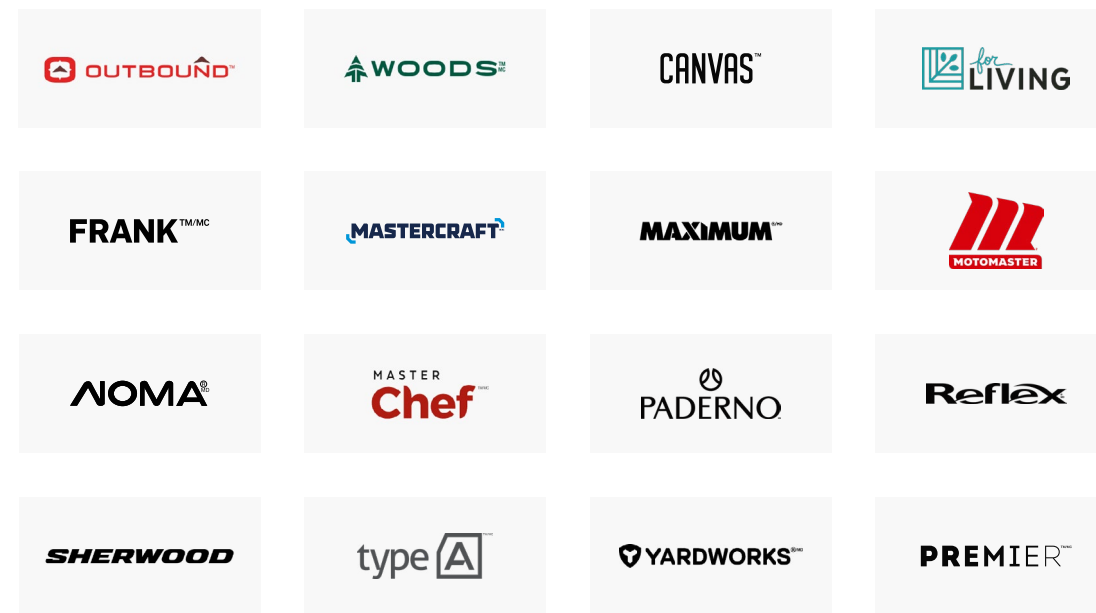
PROVIDING CUSTOMERS WITH QUALITY PRODUCTS THAT MEET THEIR NEEDS

An unwavering focus on product quality has driven our success for years. To continually enhance the quality of our products, our Product Quality Assurance team employs various strategies, including construction specifications, assessment protocols for new products, root cause analysis for defects and rigorous validation processes for corrective actions. Our focus on product quality has resulted in some of the lowest defective claim rates in the industry at our Canadian Tire (0.80%), SportChek (0.17%) and Mark's (0.22%) banners.

¹² Includes private-label brands, sub-brands and exclusive licenses.

¹³ The recall encompassed two Yardworks SKUs impacted by the same manufacturing defect.

¹⁴ Each product covered by a recall includes all applicable variations (sizes, colours, styles, etc.).



A selection of Canadian Tire Owned Brand logos

Additional Information

- [Safer Chemicals Policy](#)



Governance

Corporate Governance

Good governance begins with the Board, which is responsible for the stewardship of the Company. The Board acts in the best interests of the Company and its shareholders and is committed to working with management to achieve long-term, sustainable growth for the Company.

The Board's actions are guided by the Company's Core Values and a set of principles developed jointly by the Board and management that are designed to support their strong partnership in pursuit of CTC's strategic objectives.

OUR APPROACH

UPHOLDING STRONG CORPORATE GOVERNANCE STANDARDS

Our Management Information Circular serves as our primary source of information for explaining the Board's stewardship of the Company and its approach to corporate governance, including topics such as strategy and performance, risk oversight and succession planning. To learn more about these topics, please read the "Our Approach to Corporate Governance" section of our [2026 Management Information Circular](#).

BOARD OVERSIGHT OF ESG

CTC's ESG strategies are led by our CEO and brought to life by employees serving the various banners and functions across our enterprise. At the Board, primary oversight of our ESG strategies and risk management is delegated to the Brand and Corporate Responsibility Committee, whose 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, initiatives and targets) and the impacts of these topics on the Company's brand and reputation
- Approving the Company's ESG reporting

Certain ESG topics are delegated by the Board to its other Committees, and the Brand and Corporate Responsibility Committee coordinates with the Board and those Committees, as needed. For example, the Management Resources and Compensation Committee oversees talent, culture and belonging, the Audit Committee oversees business ethics and cyber security, and the Governance Committee oversees the Board's approach to corporate governance.

MANAGEMENT OVERSIGHT OF ESG

In 2025, consistent with the introduction of a new *True North* operating model, executive oversight of ESG has continued with our Chief Brand Officer in her new role as Chief Transformation Officer. Day-to-day oversight is provided by our Senior Vice President, Corporate Affairs and Communications, and beginning in 2026, a new ESG Integration Committee will guide progress on key priorities. Senior leaders from CTC and CT REIT will also continue their joint Environmental Sustainability Committee to oversee shared initiatives and coordinate ESG efforts.

ESG oversight and decision-making remains with key executives – formerly with our Executive ESG Council, now with our Management Board composed of the CEO and his direct reports – with the continued governance of the Brand and Corporate Responsibility Committee of the Board of Directors.

INSTITUTING EFFECTIVE RISK MANAGEMENT POLICIES AND FRAMEWORKS

The effective management of risk is a key priority for the Board and Senior Management. 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 over the long term. The foundation of CTC's enterprise risk management (ERM) Policy and 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 and the Audit Committee, the office of the CEO (supported by senior executives and the Enterprise Risk Committee), and the three lines of defence model. To learn more about our approach and governance of enterprise risk management, please read our [2025 Annual Information Form](#), [2026 Management Information Circular](#) and [2025 Report to Shareholders](#).

CTC's ERM Policy and Framework is informed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) ERM framework. It is designed to identify, assess, manage, monitor, escalate and report key risks, being those risks that, alone or in combination with other interrelated risks, could have a significant adverse impact on the Company's brand, financial performance and/or ability to achieve its strategic objectives. These key risks include specific ESG-related risks, and we have a responsibility to our stakeholders to understand and manage ESG-related risks, while also harnessing the opportunities available to us. The management of risk is supported by a dedicated ERM team and is approached holistically with a view to ensuring all risk exposures are considered and managed to an appropriate degree.

HOW ESG IS INTEGRATED INTO BOARD RENEWAL

The Board dedicates significant time and effort towards its renewal to ensure it remains well-balanced and equipped to meet the Company's evolving needs. This process leverages a skills matrix that identifies priority competencies for effective oversight of Company management, including ESG. The Board's diversity policy further supports a mix of backgrounds, skills and experiences, and commits to maintaining at least 30% women directors. At the end of 2025, women represented 31% of the Board.

Additional Information

- [2026 Management Information Circular](#)
- [2025 Annual Information Form](#)
- [2025 Report to Shareholders](#)

Business Ethics

OUR APPROACH

MAINTAINING A CULTURE OF INTEGRITY

We are committed to operating ethically and with integrity, guided by the high standards set out in our [Code of Conduct](#) (the Code). These standards are embedded across the organization through oversight by the Triangle Ethics Office, which supports ethical behaviour and accountability in our business practices.

Our Triangle Ethics Office updates, communicates and oversees compliance with the codes of conduct for CTC and CT REIT, with executive oversight and quarterly reporting to the Audit Committee of the Board. It also conducts annual reviews of the CTC and CT REIT codes of conduct and related protocols and investigates all ethical misconduct complaints.

All new employees, directors and independent contractors are required to review and sign off on the applicable code of conduct during onboarding. Employees also complete mandatory training on harassment, discrimination, workplace violence prevention, and occupational health and safety. Ongoing education and awareness of our ethics program is facilitated through an annual code of conduct sign-off process, supported by a training module every other year. In 2025, 100% of new and current employees, as well as all CTC, CTB and CT REIT directors and trustees (as applicable), completed their designated annual code of conduct sign-off.

To ensure that our ethical standards are followed, we maintain reporting channels that allow for anonymous and confidential reporting of concerns. We provide ongoing information, resources and guidance on ethical conduct, which includes managing conflicts of interest and tracking gifts and business entertainment. Where necessary, the Triangle Ethics Office conducts workplace investigations into potential violations of the Code.

OUR VALUES IN ACTION: WE TAKE PERSONAL RESPONSIBILITY

The commitments outlined in our Code reflect our values and form the foundation for our business conduct and interactions with stakeholders.

Commitment 1:

We treat others as we would like to be treated.

Commitment 2:

We safeguard our Company assets, information and reputation.

Commitment 3:

We conduct our business honestly and with integrity.

Commitment 4:

We contribute to the communities in which we operate.

ENGAGING IN FAIR COMPETITION

The fundamental objective of competition law is to create a marketplace characterized by honest and vigorous competition in which the most innovative and efficient companies thrive, and consumers have access to products and services at fair prices. Our reputation and long-term success are contingent on our adherence to ethical business practices and competitive engagement in the marketplace. As such, we have an established competition law compliance governance structure, which includes a Competition Law Corporate Operating Directive and Compliance Manual that sets out operational expectations that must be complied with across the Company. We provide ongoing training to help employees recognize situations involving competition law issues, understand how to handle those situations and know when to seek legal advice.

SETTING ETHICAL STANDARDS FOR OUR VENDORS AND OTHER BUSINESS RELATIONSHIPS

At CTC, we believe that upholding consistent ethical standards across our supply chain can help achieve the best business outcomes and create a solid foundation for conducting business with a new vendor or other third parties. Since we are a company with global relationships, this often means exceeding local compliance requirements to uphold our values of honesty, integrity and respect.

All merchandise vendors must attest to their understanding and compliance with the standards set out in our Supplier Code of Business Conduct, which is reviewed regularly and was most recently updated in 2024 and rolled out to new and existing vendors in 2025. We have programs in place to audit our vendors against these standards. See our [Supply Chain: People & Planet](#) section to learn more.

Additional Information

- [Code of Conduct](#)
- [Supplier Code of Business Conduct](#)

Privacy & Cyber Security

At CTC, we prioritize the responsible handling of personal information and provide transparency regarding its collection, use, sharing and protection. As we increasingly rely on data, analytics and technology to enhance the customer experience, safeguarding personal information remains essential.

With a long history of stewarding sensitive data for millions of Canadians, we recognize that protecting personal information and our digital assets and systems is foundational to customer trust and operational resilience. We invest in people, processes and technology to uphold these standards, and ensure employees and vendors understand their responsibilities related to data privacy, security and the ethical use of data. As our business becomes more data-driven, we continue to strengthen our technologies and practices to meet stakeholder expectations.

OUR APPROACH

PROMOTING A CULTURE OF DATA TRUST, TRANSPARENCY AND PRIVACY

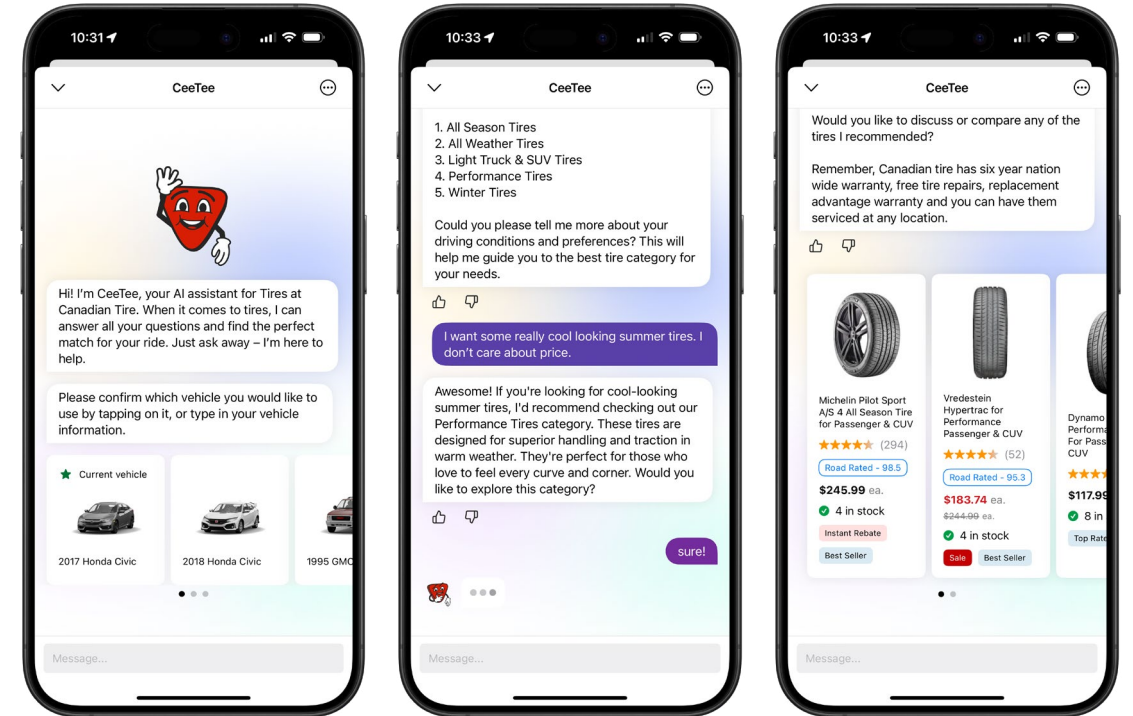
Our comprehensive privacy program is overseen by our Chief Privacy Officer and is closely coordinated with our cyber security and technology risk management programs. Our privacy program is centred on trust and transparency and is embedded in all areas of our business. All employees complete mandatory privacy training, with 100% of corporate employees doing so in 2025. To learn more about how we collect, use, disclose and protect personal information from our customers, please read our [Privacy Policy](#).¹⁵ Additionally, we maintain and abide by an internal Employee Privacy Policy, which governs the collection, use, disclosure and protection of employee personal information.

In 2025, CTC did not incur any fines or penalties arising from privacy-related regulatory enforcement actions. As the expectations of our customers, employees, stakeholders and regulators continue to evolve, so too does our work to advance and improve upon our program.

AI AT CTC: DRIVING RESPONSIBLE INNOVATION

At CTC, our use of AI is guided by a risk-based governance framework designed to support responsible innovation, protect personal information and maintain appropriate human oversight while delivering value for customers and other stakeholders. In 2025, we used AI to support a new pricing and promotions tool, expand personalization capabilities, and accelerate content creation, which improved speed, consistency, and competitiveness across our retail operations. In parallel, we established our comprehensive AI Governance Framework – aligned with global standards and anchored in privacy, fairness, transparency and accountability – and began its systematic implementation across our AI portfolio. These advancements were supported by enterprise-wide data literacy and upskilling programs, equipping our employees with the skills to leverage modern technologies responsibly.

In 2026, we will continue to scale Responsible AI practices across all business units, extend governance controls to emerging capabilities such as agentic AI, and further expand data literacy programs across the company.



CeeTee shopping assistant on the Canadian Tire app

¹⁵ [CT REIT](#) maintains its own privacy policy.

BUILDING STRONG CYBER SECURITY PRACTICES TO SAFEGUARD TECHNOLOGY AND DATA

Accountability for cyber security resides with our CEO. The Company’s cyber security program, operations and governance are executed by our Chief Information Security Officer who reports to, and is supported by, the Chief Information & Technology Officer, and is overseen by our Enterprise Risk Committee, and by the Board and its Audit Committee. Further, all employees are expected to build cyber security vigilance by annually completing our mandatory cyber security training and regularly engaging in other awareness initiatives. By participating in this training, employees have the knowledge and tools to identify and safeguard against cyber security risks and threats. In 2025, 100% of applicable employees completed the annual cyber security training.

Our actions are informed by the National Institute of Standards and Technology Cybersecurity Framework (NIST CSF) to help us build resiliency against cyberattacks through a culture of awareness, integrated policies and standards, embedded multi-layered controls and constant monitoring.

At CTC, we have a robust threat management and intelligence program to identify cyber security threats and mitigate risks (e.g., vulnerabilities). We collaborate with government, information-sharing organizations and regulatory agencies, and we regularly attend cyber security events to stay informed and raise awareness of emerging cyber security threats. We continuously monitor our environment using sophisticated tools and techniques to detect, respond to and recover from potential cyber security issues.

Our “defence in depth” strategy integrates people, technology and operational capabilities to create layers of cyber security controls and multiple defence barriers. We take ongoing actions to safeguard against the latest cyber security threats, including, but not limited to:

- Improvements to business continuity planning for critical business processes
- Enhancements to technology resilience and disaster recovery capabilities
- Automation of security controls to minimize dependence on manual processes

We continue to evolve our cyber security program through regular reviews of our capabilities and controls, tests of our ability to respond to cyber security threats and incidents, and ensuring our policies and standards remain up to date and enforced.

As we previously disclosed, on October 2, 2025, we identified a data breach involving customer information in an e-commerce database. The unauthorized activity had no impact on in-store transactions and was limited to that database, which did not include Canadian Tire Bank information or Triangle Rewards loyalty data. We resolved the vulnerability and worked with external experts to enhance related protections. The database contained basic personal information for customers who had an e-commerce account with one or more of Canadian Tire, SportChek, Mark’s/ L’Équipeur and Party City. In the case of fewer than 150,000 accounts, the data included date of birth. We identified these individual account holders and contacted them to provide notification and offer credit monitoring. We reported this matter to applicable privacy regulators and notified the public via a [news release](#).



Canadian Tire Gas+ gas bar – Welland, Ontario

CTC'S CYBER SECURITY CULTURE



Our cyber security policies and standards meet or exceed legal and regulatory requirements, industry standards and internal policies (e.g., data classification and retention), and our program is subject to internal, external and regulatory audits.



Our cyber security training and awareness program keeps users informed of risks, emerging threats and expected cyber secure behaviours.



To strengthen resilience against phishing attacks, we monitor current research and run phishing simulations to build employee awareness and reinforce appropriate responses.

i Additional Information

- [CTC Privacy Policy](#)
- [CT REIT Privacy Policy](#)

Climate Data Index

Climate Data Index

Scope

This Climate Data Index provides an overview of CTC’s Scope 1, Scope 2, and select Scope 3 GHG emissions and select energy consumption data in the 2025 calendar year (January 1, 2025, to December 31, 2025), along with the 2024 calendar year GHG emissions and energy consumption data for comparison.

Assurance

CTC engaged Deloitte LLP to provide limited assurance over certain metrics within this Climate Data Index. Their conclusion and assurance report can be found [here](#).

Methodology

In this Climate Data Index, emissions data was quantified and informed by the standards published by the GHG Protocol, and energy consumption was quantified in accordance with management-developed criteria. All data presented in this Climate Data Index is based on the best information available at the time of publication. From time to time, we may restate or adjust reported values based on structural changes, the discovery of errors, changes to methodology and/or accuracy improvements.

More information about our approach to climate change and related initiatives can be found in this report in the [Climate Change](#) section. We have a long history of reporting our GHG emissions and energy consumption data, which can be found in our online [Report Archive](#).

TABLE 1: SUMMARY OF CTC’S 2025 SCOPE 1 AND SCOPE 2 GHG EMISSIONS

Scope 1 & Scope 2 GHG Emissions	2025 (Metric tonnes of CO ₂ e)	2024 (Metric tonnes of CO ₂ e)	% Change ¹⁶	Description	Exclusions
Total Scope 1 GHG emissions	67,324	66,417 ¹⁷	1% increase	See descriptions in the rows below.	See exclusions in the rows below.
Scope 1 stationary GHG emissions	47,431	45,642 ¹⁷	4% increase	GHG emissions from on-site fuel used at CTC corporate stores, Petroleum gas bars, and select offices, distribution centres, depots and warehouses.	No known exclusions.
Scope 1 mobile GHG emissions	19,495	20,546	5% decrease ¹⁸	GHG emissions from fuel used in CTC fleet trucks, PartSource commercial delivery vehicles, and CTC shunt trucks and mobile stackers.	Third-party operated on-site mobile equipment at select distribution centres due to data unavailability.
Scope 1 fugitive GHG emissions	398	229 ¹⁷	74% increase ¹⁹	GHG emissions from fugitive release of refrigerants at CTC corporate stores, Petroleum gas bars, and select offices, distribution centres, depots and warehouses.	No known exclusions.
Total Scope 2 purchased electricity (location-based) GHG emissions	26,820	27,839 ¹⁷	4% decrease	GHG emissions from electricity used at CTC corporate stores, Petroleum gas bars, and select offices, distribution centres, depots and warehouses.	No known exclusions.
Total Scope 2 purchased electricity (market-based) GHG emissions	26,820	27,839 ¹⁷	4% decrease		

¹⁶ Explanations are provided for year-over-year percentage change greater than 5%.

¹⁷ Restated due to divestment of Helly Hansen in 2025.

¹⁸ Decrease due to closure of the Brampton Distribution Centre and reduced number of CTC operated shunt trucks at the Bolton Distribution Centre.

¹⁹ This metric should be viewed in the context of the absolute values – year-over-year variability is expected.

TABLE 2: SUMMARY OF CTC'S 2025 SCOPE 3 GHG EMISSIONS

Scope 3 GHG Emissions	2025 (Metric tonnes of CO ₂ e)	2024 (Metric tonnes of CO ₂ e)	% Change ²⁰	Description	Exclusions
Category 1 – Purchased goods and services	2,097,712	2,009,928 ²¹	4% increase	GHG emissions from the extraction, production and transportation (cradle-to-gate) of retail and Petroleum kiosk products sold, and fuels sold at Petroleum gas bars.	Financial services, purchased services, non-merchandise procurement, Canadian Tire non-corporate products, and PartSource products ordered from vendors outside of established procurement processes. Wholesale operations for the portion of products purchased from wholesalers.
Category 2 – Capital goods	Currently not estimated due to data unavailability.				
Category 3 – Fuel- and energy-related activities (not included in Scope 1 & 2)	4,142	4,050 ²¹	2% increase	GHG emissions from the generation (upstream activities and combustion) of electricity that is consumed (i.e. lost) in a transmission and distribution system.	Upstream emissions of purchased fuels, upstream emissions of purchased electricity, and transmission and distribution losses from fuels.
Category 4 – Upstream transportation and distribution	168,448	136,525 ²¹	23% increase ²²	GHG emissions from third-party transportation of products from suppliers to distribution centres and from distribution centres to stores. GHG emissions from third-party transportation of petroleum fuel from refineries to Petroleum gas bars. GHG emissions from on-site fuel and electricity used at distribution centres. GHG emissions from fuel used in shunt trucks and mobile stackers at distribution centres. GHG emissions from fugitive release of refrigerants at distribution centres.	Petroleum kiosk deliveries. Transportation from vendor manufacturing facilities to airports. Transportation from offshore vendor manufacturing facilities to container ports; Canadian Tire non-corporate products. Select distribution-centre-to-store transportation. Third-party logistics distribution centres closed throughout 2025. Transportation and distribution associated with financial services.
Category 5 – Waste generated in operations	Currently not estimated due to data unavailability.				
Category 6 – Business travel	2,210	2,682	18% decrease ²³	GHG emissions from business-related air travel and business-related car travel.	GHG emissions from car rentals only include those from CTC's preferred vendor, which accounts for over 90% of CTC's car rentals. All other vendors are not included due to data unavailability. All other business-related travel is excluded.
Category 7 – Employee commuting	Currently not estimated due to data unavailability.				
Category 8 – Upstream leased assets	3,489	3,110 ²¹	12% increase ²⁴	GHG emissions from on-site fuel and electricity used, and fugitive release of refrigerants at leased offices that do not fall under CTC's operational control.	Electricity associated with the critical cooling load at a data centre due to data unavailability.

²⁰ Explanations are provided for year-over-year percentage change greater than 5%.

²¹ Restated due to divestment of Helly Hansen in 2025.

²² Increase in purchases and shipments.

²³ Business-related air travel emissions decrease was largely driven by updated and refined public emission factors applied in the current reporting year, offset by slightly increased business-related car travel emissions.

²⁴ This metric should be viewed in the context of the absolute values – year-over-year variability is expected.

Scope 3 GHG Emissions	2025 (Metric tonnes of CO ₂ e)	2024 (Metric tonnes of CO ₂ e)	% Change ²⁰	Description	Exclusions
Category 9 – Downstream transportation and distribution	9,462	7,245 ²¹	31% increase ²⁵	GHG emissions from transportation of sold products from retail stores to customers' homes.	No known exclusions.
Category 10 – Processing of sold products	Currently not estimated due to data unavailability.				
Category 11 – Use of sold products	3,589,388	3,416,925	5% increase ²⁶	GHG emissions from use of sold petroleum products from Petroleum gas bars.	GHG emissions from use of sold retail products.
Category 12 – End-of-life treatment of sold products	Currently not estimated due to data unavailability.				
Category 13 – Downstream leased assets	236	244	3% decrease	GHG emissions from on-site fuel and electricity used, and fugitive release of refrigerants at CTC income tenants.	No known exclusions.
Category 14 – Franchises	120,904	114,165 ²¹	6% increase ²⁷	GHG emissions from on-site fuel and electricity used, and fugitive release of refrigerants at CTC franchisee- and Dealer-operated stores.	No known exclusions.
Category 15 – Investments	1,322	1,500	12% decrease ²⁴	GHG emissions from on-site fuel and electricity used in equity investments, namely CT REIT common areas and vacant sites over which CT REIT has operational control, at an equity ownership of 68.1%.	Electricity and fuel consumption in CT REIT non-CTC tenant occupied sites. GHG emissions from fugitive release of refrigerants in CT REIT non-CTC tenant occupied sites, common areas and vacant sites.
Total Scope 3 GHG emissions	5,997,313	5,696,374 ²¹	5% increase	See descriptions in the rows above.	See exclusions in the rows above.

²⁵ Increase primarily due to higher customer order volumes.

²⁶ Increase in fuel sales.

²⁷ Increase due to higher energy consumption, primarily driven by weather-related factors.

TABLE 3: SUMMARY OF CTC'S 2025 OPERATIONAL ENERGY CONSUMED IN SCOPE 1 & 2

Energy Management	2025	2024	% Change²⁸
Operational energy consumed in Scope 1 (GJ)	1,182,965	1,163,896 ²⁹	2% increase
Operational energy consumed in Scope 2 (GJ)	753,660	776,623 ²⁹	3% decrease
Total operational energy consumed (GJ)	1,936,625	1,940,519 ²⁹	0.2% decrease

²⁸ Explanations are provided for year-over-year percentage change greater than 5%.

²⁹ Restated due to divestment of Helly Hansen in 2025.

SASB Index

SASB Index

Sustainability Accounting Standards Board (SASB) Standards enable organizations to provide industry-based disclosures about sustainability-related risks and opportunities that could reasonably be expected to affect the entity’s cash flows, access to finance or cost of capital over the short, medium or long term.

This SASB Index is prepared in alignment with the **Multiline and Specialty Retailers & Distributors** industry standard, which SASB has identified as our primary Sustainable Industry Classification System® industry. We have also included select indicators from other SASB standards that are relevant to our business (**Apparel, Accessories & Footwear** and **Consumer Finance**). Indicators suggested by a given standard that were not deemed applicable, where the information is not currently aggregated or quantified, or that we do not disclose at this time, were excluded. For additional information about SASB and a full list of all SASB industry standards, please refer to the [SASB website](#). We will continue to monitor regulatory developments and enhance our disclosures, as appropriate, as we progress along our ESG reporting journey.

All data provided pertains to the fiscal year ending January 3, 2026, unless otherwise indicated.

MULTILINE AND SPECIALTY RETAILERS & DISTRIBUTORS

Topic	Accounting Metric	Code	CTC Result	More Information
Energy Management in Retail & Distribution	<ol style="list-style-type: none"> 1. Total energy consumed 2. Percentage grid electricity 3. Percentage renewable 	CG-MR-130a.1	<ol style="list-style-type: none"> 1. 1,936,625 GJ 2. 38.9% 3. 0% 	For more information about our energy management practices, please see the Climate Change section and the Climate Data Index .
Data Security	Description of approach to identifying and addressing data security risks	CG-MR-230a.1	CTC has a robust threat management and intelligence program that identifies cyber security threats and mitigates risks (e.g., vulnerabilities). To enhance our awareness of emerging cyber security threats, we collaborate with government, information-sharing organizations, and regulatory agencies, and regularly attend cyber security events. We continuously monitor our environment using sophisticated tools and techniques to detect, respond to and recover from potential cyber security issues. Our “defence in depth” strategy integrates people, technology and operational capabilities to create layers of cyber security controls and multiple defence barriers.	For more information about our cyber security practices, please see the Privacy & Cyber Security section.
Workforce Diversity & Inclusion	Percentage representation among: <ol style="list-style-type: none"> a. management b. all other employees by gender and diversity group³⁰ 	CG-MR-330a.1	Gender ³¹ : <ol style="list-style-type: none"> a. 46% women representation among management employees b. 53% women representation among all other employees 	For more information about our efforts to improve the diversity of our workforce, please see the Talent, Culture & Belonging section.

³⁰ Diversity group data was not collected in 2025. During this period, we conducted targeted, high-frequency employee pulse surveys to support decision-making during a period of transformation. In 2026, we will launch an enhanced enterprise-wide listening program and continue to collect diversity group data.

³¹ These disclosures represent all full-time and part-time employees of CTC and its subsidiaries, including CTB and CT REIT, and do not include employees of Jumpstart, Dealers, franchisees or agents. Management includes all employees at the manager level and above.

Topic	Accounting Metric	Code	CTC Result	More Information
Product Sourcing, Packaging & Marketing	Discussion of processes to assess and manage risks or hazards associated with chemicals in products	CG-MR-410a.2	<p>Across CTC, our Product Safety & Compliance team works with our product development teams and vendors to ensure compliance with local product safety laws and company standards, and it also provides applicable training to employees. Our product safety and compliance expectations apply to all products that we sell through our stores: national brand vendors are responsible for providing us with sufficient evidence of compliance, while Owned Brand vendors are subjected to regular in-house and third-party testing as well as product evaluations during the development and prototype stages. This testing includes – but is not limited to – chemical, material, safety, performance, functionality and durability evaluations. We are guided by a risk framework that involves implementing testing and inspection plans that target the highest risk and most impactful products. We also subject all our high-risk Owned Brand products to third-party testing.</p> <p>We maintain a Safer Chemicals Policy that describes our chemical management framework and goals that we are working to achieve with respect to chemical usage in our product assortment and transparency.</p>	For more information about our strategies to manage chemical risks in our products, please see the Product Safety & Quality section and our Safer Chemicals Policy .
	Discussion of strategies to reduce the environmental impact of packaging	CG-MR-410a.3	<p>Our strategies to reduce the environmental impacts of our Owned Brand packaging include reducing the amount of plastic packaging, moving to more recyclable materials and accelerating the elimination of polyvinyl chloride, expanded polystyrene, PETG and multi-material laminated plastics from existing packaging. We also work to design packaging in line with the Consumer Goods Forum Golden Design Rules. These efforts build on industry learning and resources from being a founding member of the Canada Plastics Pact (CPP).</p>	For more information about our strategies to reduce the environmental impacts of our plastic packaging, please see the Circularity: Product, Packaging & Operational Waste section.
Activity Metrics		Code	CTC Result	More Information
Number of: 1. Retail locations ³² 2. Distribution centres ³³		CG-MR-000.A	1. 926 retail locations 2. 8 distribution centres	
Total area of: 1. Retail space ³² 2. Distribution centres ³³		CG-MR-000.B	1. 914K square metres 2. 573K square metres	

³² Includes corporate operated retail locations and Petroleum gas bars.

³³ Includes corporate operated distribution centres.

APPAREL, ACCESSORIES & FOOTWEAR

Topic	Accounting Metric	Code	CTC Result	More Information
Management of Chemicals in Products	Discussion of processes to maintain compliance with restricted substances regulations	CG-AA-250a.1	<p>We continue to maintain full compliance with Canadian chemical regulations while monitoring global legislation to anticipate emerging requirements. Through active engagement in federal regulatory processes and global surveillance of restricted substances, we proactively adopt upcoming standards to reduce health and environmental risks and support supplier readiness.</p> <p>Beyond regulatory compliance, CTC restricts additional substances of concern to further protect customers, supply chain workers and local environments. In 2025, CTC adopted the bluesign Restricted Substances List (RSL) for textile products, which is aligned with global standards and regulations from international jurisdictions. The bluesign RSL also incorporates substances from the RSLs produced by the Apparel and Footwear International RSL Management (AFIRM) Group and the American Apparel and Footwear Association (AAFA). Implementation is being phased in, targeting high-risk products. CTC's adoption of the bluesign RSL enhances transparency, drives consistency across categories and embeds precautionary principles into product design and development.</p>	For more information about our strategies to manage chemical risks in our products, please see the Product Safety & Quality section and our Safer Chemicals Policy .
	Discussion of processes to assess and manage risks or hazards associated with chemicals in products	CG-AA-250a.2	See the response to CG-MR-410a.2 above.	For more information about our strategies to manage chemical risks in our products, please see the Product Safety & Quality section and our Safer Chemicals Policy .
Labour Conditions in the Supply Chain	Percentage of: <ol style="list-style-type: none"> Tier 1 supplier factories that have been audited to a labour code of conduct Supplier factories beyond Tier 1 that have been audited to a labour code of conduct Total audits conducted by a third-party auditor 	CG-AA-430b.1	<ol style="list-style-type: none"> 98% of 301 Tier 1 Owned Brand factories had a valid social compliance audit at year end, with the remainder of audits either in progress or incomplete due to supplier locations where qualified third-party auditors are limited. We do not currently conduct audits beyond Tier 1 due to transparency issues, however we expect all vendors to have responsible sourcing practices in place within their supply chains. As we increase transparency in our value chain, we will be working with those vendors to protect worker rights. 100% of audits were conducted by a third-party auditor. 	For more information about our auditing practices, please see the Supply Chain People & Planet section.
	<ol style="list-style-type: none"> Priority non-conformance rate Associated corrective action rate for suppliers' labour code of conduct audits 	CG-AA-430b.2	<ol style="list-style-type: none"> Percentage of audits with priority non-conformances: 0% Corrective action rate: N/A 	For more information about non-conformances and the corrective actions we took across all of our Tier 1 Owned Brand suppliers, please see the Supply Chain: People & Planet section.
	Description of the greatest risks in the supply chain related to: <ol style="list-style-type: none"> Labour Environmental, health and safety factors 	CG-AA-430b.3	<p>We risk assess all our vendors to determine the appropriate level of monitoring to employ. This risk assessment process is ongoing, and we periodically review our risk assessments based on current geopolitical situations or changing industry trends. In 2025, our priority risk areas were:</p> <ul style="list-style-type: none"> Forced labour risks associated with the treatment of migrant workers and unfair recruitment practices Poor worker safety Lack of visibility beyond Tier 1 suppliers 	For more information about our approach to managing risks in our supply chain, please see the Supply Chain: People & Planet section and our Forced Labour and Child Labour Report .
Activity Metrics		Code	CTC Result	More Information
Number of apparel, accessories & footwear Tier 1 suppliers		CG-AA-000.A	Tier 1 Owned Brand factories: 301	For a complete list of our Tier 1 Owned Brand apparel, accessories and footwear supplier factories, please see our Supplier List .

CONSUMER FINANCE

Topic	Accounting Metric	Code	CTC Result	More Information
Customer Privacy	Number of account holders whose information is used for secondary purposes	FN-CF-220a.1	CTB uses customer personal information only for the purpose for which it was collected and in accordance with the Canadian Tire Privacy Charter. This includes using personal information to process an application for a product or service and for administrative and operational purposes. CTB also uses information for marketing, advertising and research purposes to better understand product and service needs and to offer relevant information, products, services and rewards to meet those needs, as well as to improve our products, services and website. Information may also be used for security and fraud prevention, mitigation/detection and to manage business risks. A detailed list of data uses is found in the Canadian Tire Privacy Charter on the CTB website. CTB does not sell or rent personal information including to any affiliates and non-affiliates. Personal information may be transferred within the CTC family of companies and to current or future Partners in the Loyalty Program in a manner consistent with the Canadian Tire Privacy Charter.	For more information about our privacy program, please see the Privacy & Cyber Security section.
Data Security	Description of approach to identifying and addressing data security risks	FN-CF-230a.3	See the response to CG-MR-230a.1 above.	For more information about our privacy program, please see the Privacy & Cyber Security section.
Selling Practices	Percentage of total remuneration for covered employees that is variable and linked to the amount of products and services sold	FN-CF-270a.1	Certain banners assist with the cross-selling of Triangle credit cards on behalf of CTB. Although these employees are not directly employed by CTB, they do receive variable compensation for this cross-selling activity for the successful activation of an application. The amount of variable compensation provided for this activity as a percentage of total wages of eligible stores was 0.8%.	
	<ol style="list-style-type: none"> Number of customer complaints filed Percentage with monetary or non-monetary relief 	FN-CF-270a.4	<p>CTB is committed to customer service excellence and recognizes a consumer's right to make a complaint. Complaints provide vital feedback about CTB's products and services and the way they are offered or sold. Complaints also aid in identifying processes, systems and/or areas of service that may need improvement. CTB operates under a complaints construct regulated by the Financial Consumer Agency of Canada (FCAC) that requires key disclosures including the total number of resolved and closed complaints, as well as the average length of time to deal with the complaints.</p> <p>In 2025, CTB received approximately 31,400 complaints. On average, it took CTB three days to resolve a complaint. Out of the total number of complaints, approximately 1,000 were escalated to CTB's internal Complaint Resolution Team for further review and investigation. Approximately 98% of these cases were resolved by the end of 2025, with outstanding cases being carried over into 2026.</p>	For more information about our Complaint Resolution Process, please see CTB's Latest Annual Complaints Report and the FCAC's Guideline on Complaint-Handling Procedures for Banks and Authorized Foreign Banks .
Activity Metrics		Code	CTC Result	More Information
Number of unique customers with an active: ³⁴		FN-CF-000.A	<ol style="list-style-type: none"> 2,320,831 NIL 	For more information, see our Q4 and Full Year 2025 Management's Discussion and Analysis .
<ol style="list-style-type: none"> Credit card account Pre-paid debit card account 				
Number of: ³⁵		FN-CF-000.B	<ol style="list-style-type: none"> 2,869,890 NIL 	
<ol style="list-style-type: none"> Credit card accounts Pre-paid debit card accounts 				

³⁴ Represents 2025 average number of accounts with a balance.

³⁵ Represents 2025 average number of open accounts.

Glossary

Term	Definitions
Board	Refers to the CTC Board of Directors
Canadian Tire	Refers to the general merchandise retail and services business carried on under the Canadian Tire name and trademarks
CT REIT	Refers to CT Real Estate Investment Trust and its subsidiaries
CTB	Refers to Canadian Tire Bank
CTC or the Company	Refers to Canadian Tire Corporation, Limited, its predecessor corporations and all entities controlled by it and their collective businesses, unless the context otherwise requires
Dealers	Refers to the Canadian Tire Associate Dealers, independent third-party operators of Canadian Tire and Party City stores across the country
DIB	Refers to diversity, inclusion and belonging
ESG	Refers to environmental, social and governance, and encompasses the range of issues a company manages that are related to sustainable development, including environmental protection, social responsibility and good governance
Helly Hansen	Refers to the international wholesale and retail businesses carried on under the Helly Hansen and Musto names and trademarks, which were sold to Kontoor Brands, Inc. on May 31, 2025
Jumpstart	Refers to Canadian Tire Jumpstart Charities
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, L'Équipeur Pro, Mark's Commercial and L'Équipeur Commercial names and trademarks
national brand products	Refers to third-party products that are designed and manufactured outside of our control and sold at multiple retail stores
Owned Brand products	Refers to products sold under private label brands that are designed internally and manufactured for CTC
Party City	Refers to the party supply business carried on under the Party City name and trademarks in Canada
Petroleum gas bars	Refers to the retail petroleum business carried on under the Canadian Tire Gas+ name and trademarks, in addition to the Petro-Canada and other branded gas stations owned by CTC
supplier	Refers to a party that provides goods or services anywhere within our value chain
vendor	Refers to suppliers along our value chain from whom we directly purchase goods or services

Note on trade names, trademarks and service marks

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



For more information about ESG at Canadian Tire Corporation or this ESG Report
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