CANADIAN TIRE CORPORATION

2019 Environmental Sustainability Report

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Letter From Our CEO

There is no question that COVID-19 has led to significant challenges — for our customers, our country, and our world. The global pandemic has further reinforced the importance of our core purpose of being there for life in Canada, from ensuring our customers can access essential products and services, to stepping up for our communities through our $5 million COVID-19 Response Fund and Jumpstart's $8 million Sport Relief Fund.

As we navigate the uncertainty of the coming months and years, we know that consumer habits and expectations are changing quickly, all within a context of accelerating environmental and social challenges. As Canadians' concern over the effects of climate change and resource scarcity continues to grow, maintaining our momentum in the development and execution of our sustainability initiatives is intrinsic to our purpose. I am proud to say that we are making progress on several initiatives focused on achieving our stated emissions targets, reducing waste, and developing products that use better or fewer materials. Some of the highlights include:

- Reducing our energy usage and GHG emissions by updating our HVAC technology, as well as through lighting retrofits that enable over 400 of our stores to transition to LED.
- Reducing our water and chemical usage and using more sustainable materials in our apparel production through strategic partnerships, such as those between Mark's and CottonConnect, and Helly Hansen and bluesign.
- Continuing our ethical sourcing practices by conducting more than 1,000 supplier audits in 2019 alone to ensure our products continue to be sourced, manufactured, and transported according to the highest standards.
- Developing new product packaging standards in order to reduce waste and our impact on the environment.
- Developing an employee engagement strategy that will empower our team members to improve sustainability in their professional roles and personal lives.

These are just a few examples of our ongoing sustainability efforts and, overall, I'm very proud of the hard work, innovation and collaboration of our employees and partners. However, we know there's more to be done in order to meet our stated goals by our 100th anniversary in 2022. Together, we are striving to reduce our impact on the environment and support our customers in doing the same by offering more eco-friendly products, installing EV charging stations, and more.

In 2021, we'll be building our longer-term initiatives and targets while listening to the needs of our customers, employees, investors and other stakeholders, and their expectations of our brand and its role in creating a sustainable and resilient future. We understand that we have responsibility — to our customers, our country, and our world — and are committed to our journey towards operating as a sustainable Canadian brand.

Best,

Greg Hicks, President and CEO, Canadian Tire Corporation

Our Company

At Canadian Tire Corporation (CTC), we are committed to being there for Canadians by providing the products and services they need for the Jobs and Joys of a Lifetime in Canada. Our retail business is led by Canadian Tire Retail, which provides Canadians with products for life in Canada across its Living, Fixing, Playing, Automotive and Seasonal divisions. Party City, PartSource and Gas+ are key parts of our Canadian Tire network. Our banners also include Mark's, a leading source for casual and industrial wear; Pro Hockey Life, a hockey specialty store catering to elite players; SportChek, Sports Experts, National Sports, Intersport and Atmosphere, which offer the best active wear brands; and Helly Hansen, a leading global brand in sportswear and workwear based in Oslo, Norway.

Our Approach

CTC is committed to operating as a sustainable Canadian brand. We recognize that climate change poses a serious risk to the health of our planet and, as a Company, we have made it a top priority to be more energy efficient, use fewer resources, produce less waste, and provide our customers with more options to reduce their own impact on the environment.

As one of Canada's most trusted brands, our sustainability strategy focuses on innovations throughout our business operations that create positive environmental and social outcomes for Canadians while delivering productivity gains and economic benefits.

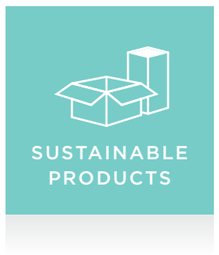
Across our family of companies, we:

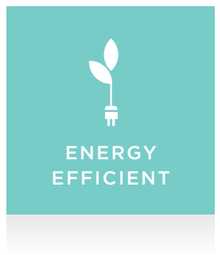
Ensure the **products** we sell are safe, well-made and responsibly packaged while offering our customers a growing number of products that are better for the environment.

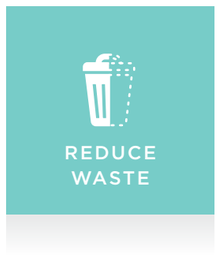
Continuously improve the energy efficiency of our **buildings** by incorporating innovative technologies into our store prototypes.

Drive efficiencies across our **transportation** network and find new ways to transport more goods using less resources and energy.

Implement solutions that reduce the **waste** we generate to lower our impact on the environment.







Being There for Canadians

Our core purpose is being there for life in Canada. We provide the products, services and support our customers need while working to fulfill our responsibility to operate as a sustainable Canadian brand.

Designed for Life in Canada

The Canadian Tire family of companies includes iconic Owned Brands that Canadians love, including Motomaster, Mastercraft, Maximum, NOMA, CANVAS, PADERNO, Woods, Sher-Wood, Denver Hayes and WindRiver.

We have heard loud and clear from our customers: when it comes to sustainability, their number one priority is durably built, long-lasting products. We couldn't agree more: creating well-made products reduces GHG emissions, the use of virgin resources, and waste. We incorporate these principles when designing our products and always consider other sustainable attributes, such as minimal and recyclable packaging or energy-saving qualities. As Canadians take steps to reduce their own impact on our planet, we are there to support them with innovative products and improved packaging, enabling them to make informed purchase decisions with the environment in mind.

For example, our NOMA brand provides customers with quality made, practical ENERGY STAR certified products, including everything from Christmas lights to solar panels, making it easy for our customers to use sustainable, energy-efficient products in their homes. Our Yardworks brand features electric outdoor tools, such as lawn mowers, grass trimmers and chainsaws, that are specifically designed to encourage our customers to use gas-alternative products. Our highly durable PADERNO™ range of kitchenware offers outstanding quality and performance to fuel our customers' passion for cooking for many years to come.

Our CANVAS Arrowhead Muskoka Chair is made in Canada from 95% post-consumer recycled plastic.

That's about 24,000 plastic bottle caps worth of recycled plastic in every chair!

Ethical Sourcing

CTC sources goods that are made in more than 90 countries around the world. Throughout our global supply chain, we work with suppliers to ensure our products are sourced, manufactured and transported according to the highest standards.

Our ethical sourcing team and our purchasing and sourcing teams are responsible for ensuring that Canadians can trust that our products are sourced from suppliers that adhere to our Supplier Code of Conduct. CTC's Supplier Code of Conduct and the Business Social Compliance Initiative (BSCI) audit standard are both based on international standards on workers' rights, such as the Universal Declaration of Human Rights, Children's Rights and Business Principles, UN Guiding Principles for Business and Human Rights, OECD Guidelines, UN Global Compact and International Labour Organization (ILO) standards.

In 2019, 1,011 BSCI audits were completed with factories manufacturing our Owned Brand products. The focus of the audit is for CTC and the factory to identify opportunities for continuous improvement of worker safety, worker respect and worker fairness. In addition to our BSCI audits, we continue to collaborate with other North American brands and retailers to develop a culture of worker safety in Bangladesh factories through Nirapon. Nirapon works with local inspection, training and helpline organizations to maintain improvements made by factories since 2013.

SUSTAINABLE CHOICES AT MARK'S:

Cotton and Recycled Polyesters

Mark's is committed to sustainable change and, as one of the largest consumers of cotton in Canada, finding a sustainable source for this vital apparel material is crucial. In 2011, Mark's partnered with CottonConnect to implement efficient and sustainable cotton farming practices at cotton farms around the world. CottonConnect helps to educate cotton farmers on sustainable ways to decrease their dependence on chemical fertilizers, reduce water usage and enhance their livelihoods by growing high-quality cotton. Compared to what it uses, Mark's puts 2.5 times more cotton back into the supply chain, which is aligned with our goals.

In addition to ensuring its raw materials are sustainable, Mark's continues to make strides in incorporating sustainable practices in its signature denim lines. From denim dyeing and incorporating sustainable leather patches to sourcing plant based leather alternatives. Mark's is committed to working towards an entire denim assortment that is sustainable.

In 2019, Mark's continued to evolve its roadmap for more sustainable apparel production and has committed to phase in the elimination of plastic packaging and labels from its product lines. In an effort to increase recycled content in its products, Mark's developed a recycled polyester lining that will be available in select outerwear, insulation, and footwear in 2020.

Helly Hansen's Sustainable Roadmap

Water is in Helly Hansen's DNA. The brand was founded in 1877 by a sea captain working on the Norwegian fjords and, to this day, Helly Hansen continues to provide professional grade gear for use in water and snow around the world.

We are focusing Helly Hansen's sustainability efforts on initiatives that are ingrained in its identity, combining holistic and scientific approaches to help conserve and preserve water. Through partnerships with associations such as bluesign® and finding innovative solutions for micro-fibre shedding fabrics, Helly Hansen has maintained its leadership in apparel-related sustainable initiatives.

2016	2017	2018	2019	2021
MICROFIBRE TMC MEMBER	SAC MEMBER RDS CERTIFIED DOWN	POLARTEC RECYCLED FLEECE PRIMALOFT RECYCLED	ZQ CERTIFIED WOOL HH JOINS RMB SINGLE USE PLASTIC PROJECT SOLUTION DYED POLYESTER	ORGANIC COTTON

Solution Dyes

Several of our apparel brands use solution dyed yarn, which has a much smaller impact on the environment than conventional dying methods.

0	90%	50%	60%
WATER	LESS CHEMICALS	LESS ENERGY	LESS CO_2 EMISSIONS

Thinking Ahead

Constructing garments with mono materials is an important step towards supporting a circular economy, which ultimately reduces waste. Since they are made from a single material, mono material garments enable garment-to-garment recycling. In designing Helly Hansen's Mono-Material line, the garment's entire life cycle is considered, to ensure materials can be re-used in new textiles. The Mono-Material line is proof that we can create high-performing products that stand the test of time — even when their time is up.

Helping Our Customers Save Money in Store and at Home

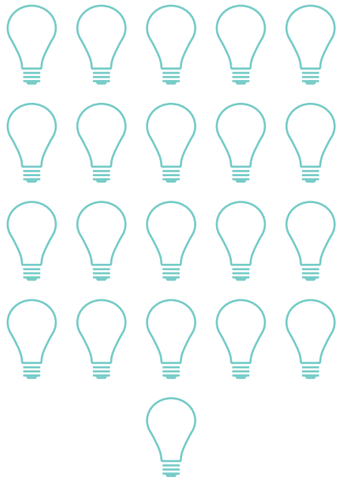
CTC is committed to helping our customers transition to a lower-carbon economy by expanding our assortment of energy-saving products, which reduce their utility bills and their impact on the environment. We have grown our assortment of smart home products that help customers regulate and reduce power usage around their homes with minimal effort and noticeable impact. We are also continuously working on increasing our offering of products that are ENERGY STAR and WaterSense certified.

In partnership with provincial utility companies and the Government of Canada, we offer rebate incentives on hundreds of energy and water efficient household products. These programs have been a success for our business and our customers — as of December 2019, the rebate program has resulted in $195,548,106 of lifetime economic benefit to our customers.

*Based on the equivalent of a 60 watt bulb over 10,000 hours with an avg 13.5 cents per KWh.

Small Changes Add Up to a Lot of Savings

One energy-efficient LED light bulb is the equivalent of 21 incandescent bulbs.



If a typical Canadian home has 25 light bulbs, making the switch from incandescent to LED bulbs would save that household about $1,700 over the 10,000 hour lifespan of the product!*

EV Charging Stations

In 2019, we announced our plan to develop a network of electric vehicle (EV) charging stations in partnership with FLO, Electrify Canada and Tesla.

CTC is committed to helping our customers reduce their environmental footprint by providing Canadians with convenient access to EV charging stations at select Canadian Tire and Gas+ locations.

We started with high-traffic locations in Alberta and Ontario and plan to expand the number of charging stations across the country in the coming years. At the end of 2019 we had 27 sites operational and ready for our customers, and by the end of 2020, we will have 92 sites in operation.

We're proud to support the transition to a low-carbon economy by working with our partners to create one of the largest EV charging networks in Canada.

Auto Stewardship

CTC participates in provincial stewardship programs to ensure that the automotive products we sell are effectively managed at end of life. We actively recycle used oil, used oil filters, automotive fluid containers, used tires and automotive batteries. We also create new products with recycled items to reduce resource usage and support a circular economy.

Some examples of recycled content include:

- Recycled lead in MotoMaster automotive batteries
- Recycled rubber used in a variety of mats, garden edges, patio umbrella stands, flower pots and the surface of our Jumpstart playgrounds
- Hydraulic fluid made from recycled motor oil

Tire Take Back Program

In 2019, CTR collected and recycled over 1,690,000 used tires from our customers. Recycling tires prevents rubber from entering landfills and the natural environment. We give this valuable material a second life by creating new products from the tires we collect.

For example, CTC's inclusive Jumpstart playgrounds use recycled crumb rubber for playground surfaces. The Charlottetown playground (pictured) used the equivalent of 23,000 passenger tires sourced from one of our recycling partners which collects used tires from our stores. Using recycled rubber not only prevents the extraction of virgin materials, but provides a safe surface where children of all abilities can play, including those who use mobility vehicles.

Packaging Strategy

Canadian Tire designed the packaging for its Bluehive brand with sustainability in mind, shifting from plastic clamshell packaging that is difficult to open to recyclable carton board.

CTC is accelerating improvements to our products' packaging to reduce our impact on the environment while maintaining key packaging functionality for our customers.

Our new sustainable packaging standards were recently shared with our vendors and manufacturers that produce CTC's Owned Brand products. The updated packaging standards include:

1. Reducing unnecessary product packaging
2. Eliminating packaging materials that are non-recyclable or difficult to recycle to improve ease of customer recycling
3. Increasing recycled content of packaging

This new set of standards was launched in 2020 to achieve economic and environmental benefits while maintaining the integrity of our products and brands.

Structural Packaging Tests Lead to More Sustainable Packaging

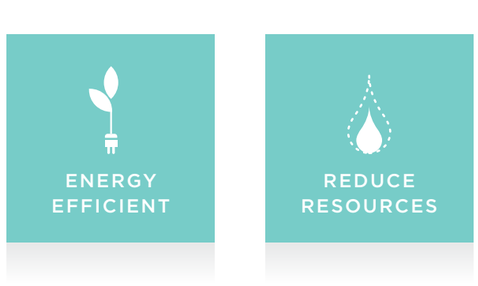
The Structural Packaging Test (SPT) is designed to test the current supply chain handling process. Products and their packaging are put through a series of rigorous tests to minimize damage during shipping, handling and storage. Thanks to the SPT, we are able to provide proactive feedback to our Owned Brands team, suppliers and partners to make packaging improvements to protect products from damage.

By reducing damage rates, CTC avoids wasting products and the energy and resources that went into making them.

When products don't pass the SPT, they are sent back to the vendor for packaging improvements and retesting before they can be sold in our stores. CTC continues to partner with its vendors to share knowledge and provide guidance on packaging and handling changes that will yield economic and environmental benefits across the supply chain.

Our Targets

We recognize that our family of companies plays a role in helping Canada achieve its global commitment to reduce GHG emissions. In 2017, we set GHG emission reduction targets to reduce GHG emissions from our buildings and operations by 22% against a 2011 baseline by 2022, and to keep emissions from transportation flat, even as we grow our eCommerce and home delivery business. These are ambitious targets, and we are proud of the progress we are making.



22%

decrease in GHG emissions from buildings by 2022 from our 2011 baseline.

0%

increase in GHG emissions from transportation from our 2011 baseline.

2019 Results

We measure the energy consumption and emissions that result from our business across the entire value chain, from the extraction of the raw materials that go into our products to the last mile delivery to our customers' homes.

In 2019, absolute GHG emissions from our entire value chain totalled 4.04 million tonnes of CO_2e, up 3.4% from 2018, and our GHG intensity, which we define as total emissions divided by total revenue, was 277.97 kilograms of CO_2e per $1,000.

Thanks to energy efficiency projects, we were able to reduce GHG emissions from our buildings by 13.5%, compared to our baseline year of 2011, and achieve 61% of our 2022 target. Emissions from product transportation were 11.5% higher than our 2011 baseline, primarily due to the inclusion of previously unmeasured segments.

For a detailed breakdown of emissions and intensity by business area and segment of the value chain, please refer to Table 1. Detail on methodologies, factors and percent actual versus modelled data used in the preparation of the 2019 Environmental Footprint can be found in Table 6 of this document. Our GHG emission reduction targets do not include Helly Hansen.

ORGANIZATIONAL BOUNDARY AND ASSURANCE

CTC's environmental footprint is prepared in accordance with GHG Protocol Corporate and Scope 3 Standards. CTC follows the operational control approach to establishing its organizational boundary, defined as having the full authority to introduce and implement operating policies at the operation.

DNV GL was retained to conduct an independent verification of our environmental footprint claims and assertions. The limited assurance statement can be found here.

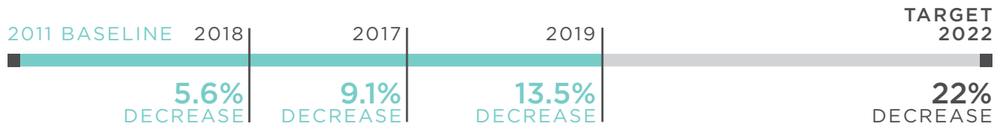
Our Buildings

ENERGY EFFICIENT

CTC has over 66 million square feet of retail, office and distribution centre (DC) space. We understand the significance of our operations on Canada's environment and we're committed to reducing the impact of our buildings and lessening our dependence on fossil fuels for energy. By 2022, we aim to have reduced our emissions from buildings by 22%, compared to our baseline in 2011. We've set emission reduction targets that are scientifically informed and in line with Canadian and global goals.

Since 2003, we have continuously worked to improve our store design by making it more energy and water efficient, to the extent that we have reduced the energy use intensity of new stores by half. We have introduced features such as low-flow faucets and energy recovery ventilation, which have become standard in all new projects. Existing stores' performance is improved by large-scale retrofit programs where, for example, stores receive the latest lighting technology. In this way, we keep evolving our stores for optimized environmental performance.

2019 Buildings Results



In 2019, our electricity consumption was reduced by 11% compared to 2018. Our natural gas consumption, which provides heating to our stores, was down 1%. This was primarily due to usage reduction in our retail stores and office consolidation in Alberta and Ontario.

Overall, we reduced our emissions from buildings by 13.5%, compared to our 2011 baseline. This reduction was primarily driven by energy efficiency projects implemented in our stores, our DCs, and our offices. We're committed to meeting our target and we're over halfway there.

Our continued investment in energy-efficient technologies resulted in the avoidance of over 15,000 tonnes of CO_2e. This is equivalent to the emissions from over 3,400 Canadian homes.

For detailed results, please see Table 1.

"...We've made it a top priority to be more energy efficient, use fewer resources and produce less waste in our buildings and operations."

Robyn Collver
Chief Sustainability Officer,
Canadian Tire Corporation

Our Stores

With over 1,700 retail locations, we have been working hard, along with our Dealer partners, to reduce the impact our stores have on the environment.

At Canadian Tire, building emissions decreased an impressive 9% year-over-year, primarily due to investments made by Associate Dealers in energy-efficient LED interior lighting. Also, an exterior LED retrofit has been completed at over 400 stores. In addition to the lighting retrofits, we operate over 900,000 square feet of LEED® certified retail space.

Our other retail brands also saw positive results thanks to investments into energy efficiency. Emissions from our SportChek stores decreased 9% year-over-year and 8% at our PartSource locations.

SOLAR POWER

Our rooftop solar panels send enough clean energy back into the electrical grid to power 350 Canadian homes.

OVER 900,000 SQUARE FEET

of LEED® certified retail space.

↓10%

OUR ENERGY INTENSITY

per square foot decreased by 10% from our 2011 baseline.

2019 YOY Emissions Reduction

Canadian Tire	SportChek	PartSource	Mark's
-9%	-9%	-8%	-6%

Canadian Tire Bowmanville, Store #170, is LEED® Gold Certified. It achieves approximately 1.9 million kWh energy savings annually.

Lighting Retrofit

Significant steps have been taken towards retrofitting all stores with modern, energy-efficient lighting.

The benefit of using LED lighting to retrofit our stores goes well beyond the energy savings it offers. The installation of efficient lighting has lowered maintenance costs, as the new technology offers a five- or 10-year warranty, compared to the one-year warranty previously offered. LED is a more stable technology which doesn't fail or dim easily, which extends its useful life.

These projects would not have been possible without the support and collaboration of our Canadian Tire Dealers, our Canadian Tire Dealers Association, Store Operations and the corporate store managers.

2019 Energy Savings Results From Lighting Retrofits

CANADIAN TIRE

82,600,000 kWh
7,535 tCO_2e avoided

SPORTCHEK

2,832,000 kWh
502 tCO_2e avoided

PARTSOURCE
The Parts. The Pros. The Price.

1,880,000 kWh
600 tCO_2e avoided

"A lot of sustainability has to do with partnerships. The Dealers are an amazing group to partner with; they are engaged and highly motivated to improve the in-store experience while keeping the environment in mind."

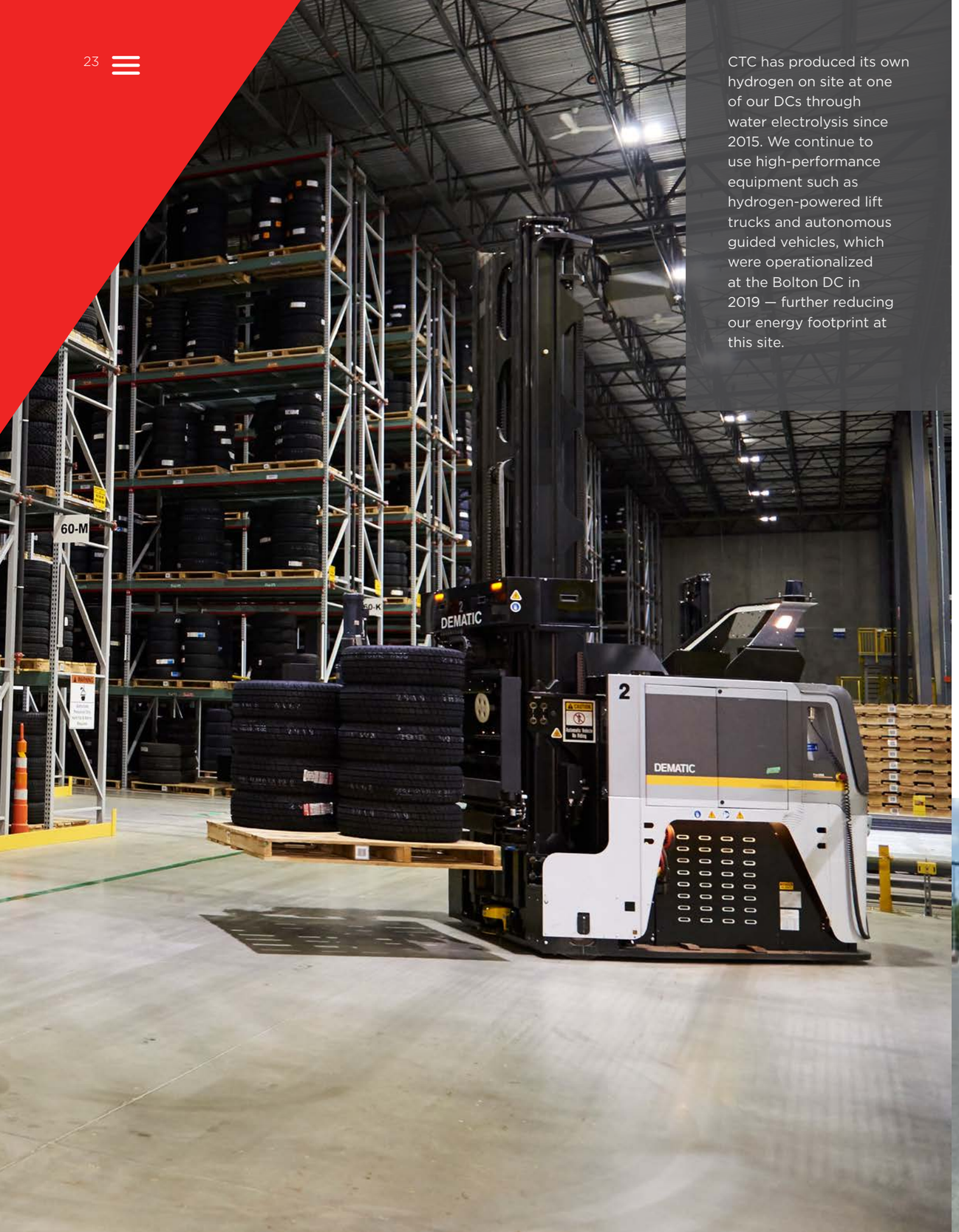
Fleur
Manager of Sustainability and Innovation, Real Estate CTC

Bolton Distribution Centre

Our Bolton Distribution Centre is a 1.4 million square foot, state-of-the-art facility with many ground-breaking environmentally sustainable features. Our achievements at this facility have been recognized through LEED® Gold certification and an award from the Toronto Illuminating Engineering Society. We have been able to achieve energy consumption savings of 46%, reduce energy costs by 39% and, ultimately, save over 1,700 tonnes of GHG emissions annually. This is in part due to initiatives like installing LED lighting throughout the building, which consumes less energy and provides better quality light.

An integrated storm water management system collects and redistributes rainwater for irrigation of vegetation surrounding the DC. This system reduced water use and saved 1.8 million litres of potable water in 2019.

CTC has produced its own hydrogen on site at one of our DCs through water electrolysis since 2015. We continue to use high-performance equipment such as hydrogen-powered lift trucks and autonomous guided vehicles, which were operationalized at the Bolton DC in 2019 — further reducing our energy footprint at this site.



Our Transportation and Supply Chain

REDUCE RESOURCES

Our supply chain is critical to the success of our core retail business. Together with our carrier partners, we source from over 90 different countries and operate one of the largest retail distribution networks in Canada.

We've made sustainability a priority in our supply chain and we work closely with our carrier partners to minimize the impact our activities have on the environment.

In 2019, we began to track the emissions that result from our eCommerce operations. As eCommerce continues to grow, we must adapt our supply chain to meet the unique challenges this segment presents to sustainability efforts. Measuring our impact is the first step as we continue our journey to transition to a lower-carbon supply chain.

2019 Transportation and Supply Chain Results

We measure the energy use and emissions that result from the transportation of our products, from foreign ports all the way to our stores and customers' homes, as well as the impact of our business travel.

Our GHG target for transportation, which is to maintain flat emissions to our 2011 baseline by 2022, despite growth in eCommerce (against our 2011 baseline), encompasses not only our own transportation fleet, but all of our third-party activity. Since the majority of emissions in scope of our target occur outside our control, this is an ambitious undertaking.

In 2019, emissions and energy use from transportation increased 11.5% over our baseline, primarily due to the inclusion of previously unmeasured transportation segments at our SportChek, Mark's, and Helly Hansen banners, as well as the inclusion of our eCommerce activity.

We will continue to collaborate with our transportation and eCommerce partners to look for innovative solutions and strategic partnerships as we transition to a lower-carbon economy.

60-Foot Containers

When it comes to transporting products over great distances, larger containers are more cost-effective and fuel efficient. We partnered with American Intermodal Container Manufacturing, Max Atlas, Canadian Pacific Railway and the Ontario Ministry of Transportation to launch the next innovation in intermodal transportation: North America's first 60-foot intermodal container. Developed by Canadian Tire's transportation team, this new configuration has an additional seven feet compared to the standard 53-foot containers, allowing us to increase the amount we ship per truck by 13%. Ultimately, this increase in size allows us to carry more goods per trip, reducing our carbon footprint. We are currently transitioning and strategically deploying the new 60-foot containers throughout CTC's transportation network.

Intensity by Mode of Transportation

Whenever possible, we try to move products via rail as it is one of the most energy-efficient modes of transportation. To move the same weight of product across Canada from Vancouver to Toronto, freight moved via road results in four times the emissions as the same trip by rail, and air freight results in over 24 times more.

2019 TRANSPORTATION GHG EMISSIONS, BY MODE

67%	15%	14%	3%	1%
ROAD	OCEAN	RAIL	AIR	OTHER

CTC's transportation team has been piloting a project to receive freight through the Port of Prince Rupert in British Columbia. Prince Rupert has several environmental advantages, including the Port's location on the northern coast of B.C., which is one of the shortest trans-pacific crossings between Asia and North America, and its proximity to a railhead. This makes shipping our goods to other Canadian locations easy and efficient.

PartSource Hybrid Fleet

Three years ago, our PartSource operations team accepted the task of converting the PartSource delivery fleet to Plug-In Hybrid Electric Vehicles (PHEVs). The decision to switch to PHEVs is a result of PartSource's long-term goal to reduce emissions and lower fuel costs.

In 2019, the team accomplished its goal of transitioning its operational fleet to 5% Plug-In Hybrid Electric Vehicles. As more light-duty vehicle options become available, the team at PartSource hopes to double the number of PHEVs. Currently, the fleet is operating with 36 PHEVs across the country.

The switch to PHEVs for delivery drivers has resulted in a 75% reduction in fuel consumption for these vehicles.

?

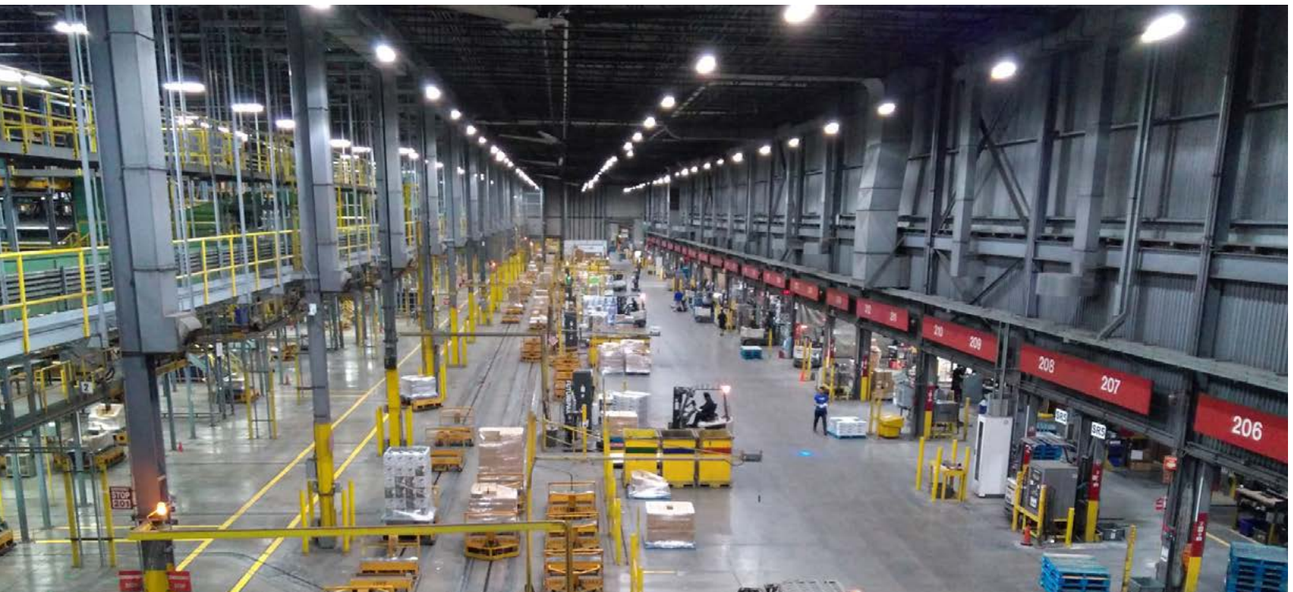
DID YOU KNOW

Some days, delivery vehicles operate solely on electric power without the need to ignite the gas engine!

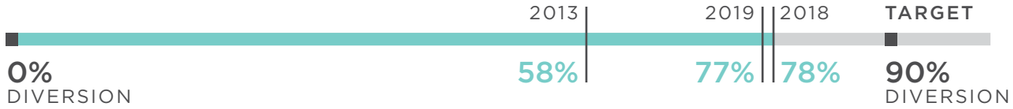
Our Waste Reduction

REDUCE WASTE

We are on an ambitious mission to reduce our waste and are continuously improving waste reduction practices in our operations, including in our stores, offices and distribution centres. Recycling services are offered at our stores and we work with our waste partners to ensure the most appropriate service is made available to each location. In addition, we recognize the importance of educating our employees on waste reduction strategies and empowering them to implement best practices within their individual roles. These initiatives will result in increased waste reduction and cost savings. Ultimately, we aspire to divert 90% of our waste away from landfill.



2019 Waste Reduction Results



In 2019 we diverted 77% of CTC's corporate waste away from landfills towards recycling, compost and re-use.

Our 2019, diversion rate was slightly lower compared to our 2018 result of 78%. This variance was primarily caused by a one-time special project at our Brampton Steeles DC, which saw over 1,300 tonnes of pallets retired and sent for recycling in 2018. In 2019, our Alberta and Quebec warehouses' diversion rates improved slightly year-over-year, while our corporate retail stores remained flat.

DIVERSION RATE

The percentage of waste diverted relative to the total waste disposed of in landfills and diverted away from landfill. Diverted waste could be recycled, composted or re-used.

Reducing Waste in Our Stores

The waste diversion rate at our corporate stores remained flat compared to last year, at 69%, and the total volume of solid waste decreased slightly by 0.5%.

In 2019, we focused on right-sizing our waste services across our network of corporate stores. This included adding more organics and recycling services to select locations, which are expected to help increase our diversion rates in 2020. As a result of this right-sizing initiative, we saw a 40% decrease in the amount of overfilled dumpsters at our corporate stores, saving us operating costs, which can be reinvested in further recycling and compost service expansions in the future.

2019 Diversion Rates by Banner

PartSource — The Parts. The Pros. The Price.
79%

SportChek
76%

Mark's
75%

GAS+
44%

"We went from 12 bags of garbage a week down to one. Having younger staff who are more aware of the environment made the transition easy."

Sheila
PartSource Manager

Reducing Waste in Our Distribution Centres

In 2019, the total volume of waste across our DCs decreased by 17% and the diversion rate was an impressive 89%.

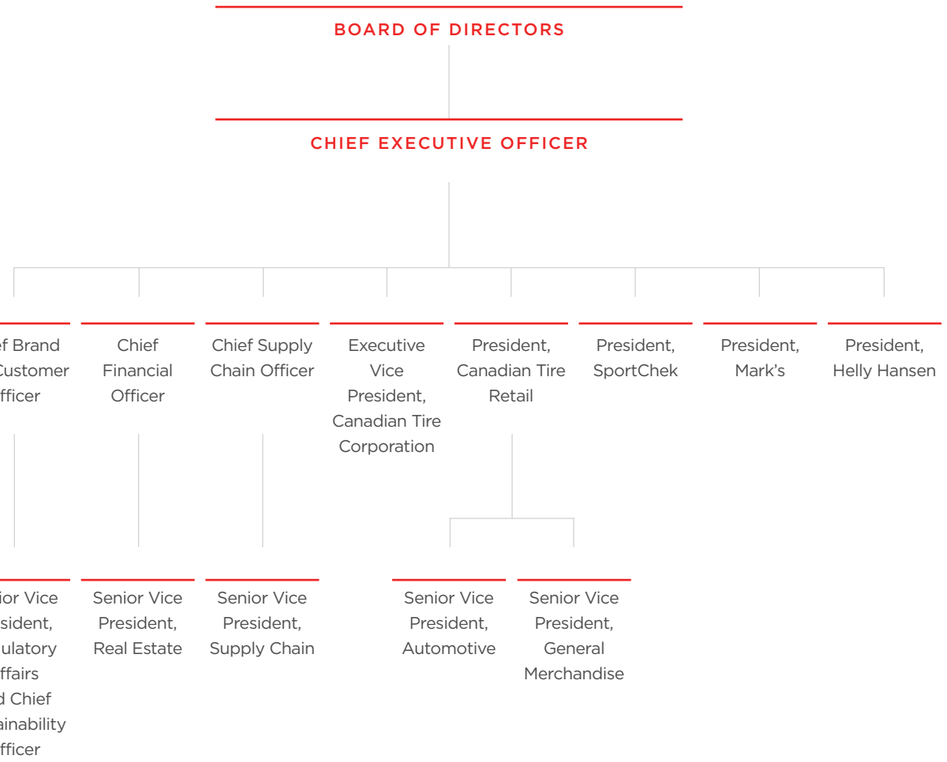
The teams at our DCs continue to search for new and creative ways to increase efficiencies that result in continued increases in waste diversion. It is a formidable task given the already high diversion rate.

Resource Recovery Centre

The Resource Recovery Centre (RRC) in Brampton, Ontario was designed to sort and recycle damaged products from the Toronto Operations Supply Chain. The overall objective of the RRC is to re-use and recycle as much material as possible and avoid sending items to landfills.

This recycling hub processed approximately 1,500 tonnes of materials in 2019 through 20 different recycling streams — that's the equivalent of 1,000 mid-sized cars by weight. The facility has also started to process damaged products from SportChek, Mark's and PartSource facilities as well. In 2019, the centre operated at a 96% diversion rate, which means that only 4% of material coming through the facility was sent to landfills.

Our Organization



Our Associations and Awards

bluesign®

Circular Economy Leadership Coalition

COTTON CONNECT
TRANSFORMING THE WORLD'S COTTON FOR GOOD.

CSA GROUP™

flo

ethical trade norway

Sustainable Apparel Coalition

RCC RETAIL COUNCIL OF CANADA

RETAIL INDUSTRY LEADERS ASSOCIATION

BEST 50 CORPORATE CITIZENS 2019

Appendix

TABLE 1
2019 CORPORATE AND SUPPLY CHAIN TOTALS AND BASELINE COMPARISON

BY VALUE-CHAIN SEGMENT		2019 ENERGY USE GJ	2018 ENERGY USE GJ	CHANGE (BETTER) OR WORSE GJ	CHANGE (BETTER) OR WORSE %	2019 GHG EMISSIONS CO_2E TONNE	2018 GHG EMISSIONS CO_2E TONNE	CHANGE (BETTER) OR WORSE CO_2E TONNE	CHANGE (BETTER) OR WORSE %	2011 GREENHOUSE GAS EMISSIONS CO_2E TONNE	COMMENTS
PRODUCT AND PACKAGING	Sub-Total (Canadian Tire, PartSource, Mark's, SportChek, Petroleum)	47,911,168	45,360,405	2,550,763	5.6%	3,484,499	3,344,399	140,101	4.2%	3,987,217	Overall energy use and GHG emissions increase because of a higher dollar value of product received in 2019 and a redistribution of spend to higher GHG/energy intensive product categories
PRODUCT TRANSPORT	Corporate – CTC Fleet and PartSource Commercial Deliveries	250,221	232,284	17,937	7.7%	17,669	16,403	1,265	7.7%	12,836	Energy use and GHG emissions increased over the base year due to more kilometres driven by CTC fleet, partially offset by increased utilization of hybrid/electric vehicles at PartSource
	Third-Party Road, Rail, Ocean and Air (Canadian Tire and Petroleum)	4,310,297	4,254,162	56,135	1.3%	292,023	290,412	1,611	0.6%	272,368	Energy use and GHG emissions increased due to inclusion of previously unmeasured segments at SportChek and Mark's, and the addition of Helly Hansen
	Emissions Related to Business Air Travel	69,286	74,922	(5,636)	(7.5%)	4,707	5,090	(383)	(7.5%)	N/A	Decrease due to fewer trips and passenger-miles, particularly for long and short-haul flights, partially offset by the addition of Helly Hansen
	CTC eCommerce	N/A	N/A	N/A	N/A	8,229	N/A	N/A	N/A	N/A	Net new for 2019
	Sub-Total	4,629,805	4,561,368	68,437	1.5%	322,628	311,906	10,723	3.4%	285,204	Overall energy use and GHG emissions increase due to inclusion of previously unmeasured segments at SportChek and Mark's, and the addition of Helly Hansen
BUSINESS AND RETAIL OPERATIONS	Offices and Distribution Centres (DCs) (Canadian Tire, PartSource, Mark's, SportChek, Petroleum)	842,988	918,584	(75,596)	(8.2%)	39,409	43,763	(4,354)	(9.9%)	39,989	Overall energy use and GHG emissions decrease due to office consolidation in AB and DC closure in ON
	Corporate	613,902	686,733	(72,832)	(10.6%)	25,960	30,182	(4,222)	(14.0%)	24,736	
	Third-Party Operated Offices and DCs	229,086	231,850	(2,764)	(1.2%)	13,449	13,581	(132)	(1.0%)	15,253	
	Stores (Canadian Tire, PartSource, Mark's, SportChek, Petroleum)	3,876,394	4,189,771	(313,377)	(7.5%)	182,246	196,383	(14,138)	(7.2%)	198,332	Overall energy use and GHG emissions decrease due to energy efficiency projects at CTR, SportChek, and PartSource retail banners
	Corporate	812,733	842,358	(29,625)	(3.5%)	45,035	49,376	(4,341)	(8.8%)	52,801	
	Dealers, Franchises and Agents	3,063,661	3,347,413	(283,752)	(8.5%)	137,211	147,007	(9,796)	(6.7%)	145,531	
	CTREL and Petroleum Investment Properties	104,297	93,075	11,222	12.1%	4,555	4,048	507	12.5%	1,883	Overall energy use and GHG emissions increase due to acquisitions
	Emissions Related to Electricity Transmission and Distribution (T&D) Loss	N/A	N/A	N/A	N/A	6,786	7,079	(294)	(4.1%)	26,044	GHG emissions from T&D losses decreased due to lower emission factors in most provinces
	Sub-Total	4,823,679	5,201,430	(377,751)	(7.3%)	232,995	251,273	(18,279)	(7.3%)	266,248	Overall decrease in building energy use and emissions due to energy efficiency projects at CTR, SportChek, and Partsource
TOTAL	**Corporation and Supply Chain**	**57,364,653**	**55,123,203**	**2,241,449**	**4.1%**	**4,040,122**	**3,907,578**	**132,545**	**3.4%**	**4,538,669**	Overall energy use and GHG emissions increase due to a larger product footprint and the inclusion of previously unmeasured product transportation segments (eCommerce, Helly Hansen, SportChek, Mark's), partially offset by lower energy use and emissions from buildings due to energy efficiency projects

TABLE 2
INTENSITY VALUES

BY VALUE-CHAIN SEGMENT	ENERGY RATIOS	2019	2018	CHANGE (B) / W	GHG RATIOS	2019	2018	CHANGE (B) / W
PRODUCT	Energy Usage as % of Total Corporate and Supply Chain Energy Usage	83.5%	82.3%	1.5%	GHG Emissions as a % of Total Corporate and Supply Chain Footprint	86.2%	85.6%	0.8%
	Energy Usage per $1,000 Banner Revenues (GJ)	3.8	3.6	4.3%	GHG Emissions per $1,000 Banner Revenues ($CO_2e$ kg)	276.0	268.3	2.9%
PRODUCT TRANSPORT	Energy usage as % of Total Corporate and Supply Chain Energy Usage	8.1%	8.3%	(2.5%)	GHG Emissions as a % of Total Corporate and Supply Chain Footprint	8.0%	8.0%	0.0%
	Energy Usage per Tonne-Kilometre (GJ)	0.00039	0.00039	0.2%	GHG Emissions per Tonne-Kilometre (CO_2e kg)	0.0272	0.0266	2.1%
BUSINESS AND RETAIL OPERATIONS	Energy Usage as % of Total Corporate and Supply Chain Energy Usage	8.4%	9.4%	(10.9%)	GHG Emissions as a % of Total Corporate and Supply Chain Footprint	5.8%	6.4%	(10.3%)
TOTAL	**Energy Usage per $1,000 CTC Consolidated Revenue (GJ)**	**3.9**	**3.9**	**0.7%**	**GHG Emissions per $1,000 CTC Consolidated Revenue (CO_2e kg)**	**278.0**	**277.9**	**0.0%**

TABLE 3
EMISSIONS BY SCOPE

ESTIMATED TONNES OF CO_2E BY SCOPE	2019	2018	CHANGE (B) / W
Scope 1 Emissions	53,605	53,022	1.1%
Scope 2 Emissions	37,267	42,939	(13.2%)
Scope 3 Emissions	3,949,249	3,811,616	3.6%

TABLE 4
SCOPE 1 AND 2 EMISSIONS BY GAS

ESTIMATED TONNES BY GHG GAS	2019	2018	CHANGE (B) / W
Carbone Dioxide (CO_2)	89,871	95,003	(5.4%)
Methane (CH_4)	5.32	3.78	40.7%
Nitrous Oxide (N_2O)	2.76	2.78	(0.9%)
Carbone Dioxide Equivalent (CO_2e)	90,873	95,960	(5.3%)

TABLE 5
CORPORATE AND NON-CORPORATE SOURCES OF ENERGY USE

ENERGY CONSUMPTION BY SOURCE (GJ)	2019	2018	CHANGE (B) / W
Electricity, Corporate	748,530	819,217	(8.6%)
Electricity, Non-Corporate	1,624,621	1,858,685	(12.6%)
Heating, Corporate	678,105	709,875	(4.5%)
Heating, Non-Corporate	1,772,423	1,813,654	(2.3%)
Transportation, Corporate	250,221	232,284	7.7%
Transportation, Non-Corporate	4,379,584	4,329,084	1.2%
Total, Corporate	**1,676,856**	**1,761,375**	**(4.8%)**
Total, Non-Corporate	**7,776,629**	**8,001,423**	**(2.8%)**
Energy Consumption	**9,453,484**	**9,762,798**	**(3.2%)**

TABLE 6
2019 CORPORATE AND SUPPLY CHAIN TOTALS PER GHG PROTOCOL CATEGORY

BY GHG PROTOCOL CATEGORY		DESCRIPTION	METHODOLOGIES AND FACTORS USED	PERCENTAGE OF PRIMARY DATA USED	2019 GREENHOUSE GAS EMISSIONS CO_2E TONNES	JUSTIFICATION OF EXCLUSIONS
CORPORATE EMISSIONS	Scope 1	Emissions from fuel used by 85 fleet trucks and 407 PartSource commercial delivery vehicles Emissions from on-site fuel used by 691 corporate stores, 24 offices and 20 DC, depot or storage facilities	Buildings and Operations calculations are derived from a sampling strategy. A statistically representative sample of energy data was collected by business unit, type of building and regional area to estimate the overall Business and Retail Operations energy usage. Where no actual data is readily available, energy usage is estimated based on building size and type. Canadian Tire fleet and PartSource commercial delivery vehicle calculations are derived from a fuel volume based methodology. Emission factors are from Environment Canada National Inventory 1990-2018 Report for Canadian properties, EPA eGRID 2018 for U.S. Properties, and IEA Country Factors 2019 for all other countries. IPCC 5th Assessment Report, 100 years, Global Warming Potentials (GWP) were used.	90%	53,605	HFCs and PFCs from refrigeration units; deemed non-material
	Scope 2	Emissions from electricity used by 691 corporate stores, 24 offices and 20 DC, depot or storage facilities		74%	37,267	No known gaps
UPSTREAM EMISSIONS (SCOPE 3)	Purchased Goods and Services	Emissions associated with the extraction, production and transportation (cradle-to-gate) of products sold at Canadian Tire, SportChek, Mark's, Petroleum and PartSource stores	Canadian Tire, PartSource, SportChek and Mark's calculations are derived from the Economic Input-Output Life Cycle Analysis (EIO-LCA) Model developed by Trucost. Petroleum calculations are derived from the U.S. Department of Energy GREET 2019 Model and the GHGenius 5.0d Model. IPCC 5th Assessment Report, 100 years, Global Warming Potentials (GWP) were used.	31%	3,484,499	Helly Hansen products are excluded due to data unavailability; Financial Services, Gas+ kiosk and Canadian Tire non-corporate products (FMA), deemed non-material.
	Capital Goods	Emissions associated with the extraction, production and transportation (cradle-to-gate) of capital goods purchased	N/A	N/A	N/A	Capital goods are not included due to data unavailability and materiality assessment.
	Fuel and Energy Related Activities (Not Included in Scope 1 and 2)	Emissions associated with the extraction, production and transportation of a) fuels consumed b) electricity consumed c) electricity transmission and distribution loss	Electricity transmission and distribution loss is calculated based on electricity consumption and emission factors from Environment Canada National Inventory 1990-2018 Report. IPCC 5th Assessment Report, 100 years, Global Warming Potentials (GWP) were used.	48%	6,786	Items a) and b) are not included due to data unavailability.
	Upstream Transportation and Distribution	Emissions associated with third-party transportation of products from tier 1 suppliers to distribution centres and from distribution centres to stores This category also includes emissions from third-party operated distribution centres	Canadian Tire Retail, Petroleum, SportChek, Mark's, and Helly Hansen third-party transportation calculations are derived from a distance-weight methodology. Emission factors from (i) U.S. Environmental Protection Agency Emission Factors for Greenhouse Gas Inventories, March 9, 2018, (ii) the International Marine Organization (IMO), Second GHG Study 2009, (iii) Environment Canada National Inventory 1990-2018 Report, (iv) Clean Cargo 2019 Global Container Shipping Trade Lane Emission Factors, and (v) Carrier-specific emission factors were used. Energy conversion factors were also used for pipeline transportation from the National Energy Technology Laboratory: Development of Baseline Data and Analysis of Life Cycle Greenhouse Gas Emissions of Petroleum-Based Fuels. Third-party operated DCs fall under the Business and Retail Operations segment and therefore follow the same methodology when energy use data is unavailable. See methodology on Scope 1 and 2 for further detail. IPCC 5th Assessment Report, 100 years, Global Warming Potentials (GWP) were used.	100%	303,342	Emissions from SportChek/ Mark's DC to store transportation, Gas+ kiosk, Canadian Tire non-corporate products (FMA), some Canadian Tire packaging weight, HFCs and PFCs from pipeline leakages and refrigerated trucks are not included due to data unavailability.

TABLE 6 (CONT'D)
2019 CORPORATE AND SUPPLY CHAIN TOTALS PER GHG PROTOCOL CATEGORY

BY GHG PROTOCOL CATEGORY		DESCRIPTION	METHODOLOGIES AND FACTORS USED	PERCENTAGE OF PRIMARY DATA USED	2019 GREENHOUSE GAS EMISSIONS CO_2E TONNES	JUSTIFICATION OF EXCLUSIONS
UPSTREAM EMISSIONS (SCOPE 3) (CONT'D)	Waste Generated in Operations	Emissions from third-party disposal and treatment of waste generated through business operations	—	N/A	N/A	Emissions from waste generated in operations are not included due to data unavailability and materiality assessment.
	Business Travel	Emissions from business travel	CTC business air travel emissions are derived from a passenger-miles methodology. Emission factors from the World Resources Institute GHG Protocol tool for mobile combustion, version 2.6 (2015) were used. IPCC 5th Assessment Report, 100 years, Global Warming Potentials (GWP) were used.	100%	4,707	Emissions from business travel using modes other than air are not included due to data unavailability.
	Employee Commuting	Emissions from employee commuting	N/A	N/A	N/A	Emissions from employee commuting are not included due to data unavailability and materiality assessment.
	Upstream Leased Assets	Emissions associated with the operation of three leased offices which does not fall under CTC's operational control	Upstream leased assets fall under the Business and Operations segment and therefore follow the sampling strategy methodology. See methodology on Scope 1 and 2 for further detail.	0%	2,130	HFCs and PFCs from refrigeration units; deemed non-material.
DOWNSTREAM EMISSIONS (SCOPE 3)	Downstream Transportation and Distribution	Emissions associated with the transportation of sold products from retail stores to customers' homes	eCommerce emissions are directly calculated by our carrier partners using distance-weight or spend-based methodology with proprietary emission factors	100%	8,229	Emissions from minor carrier partners are not included due to data unavailability.
	Processing of Sold Products	Emissions associated with the processing of sold products	N/A	N/A	N/A	Not applicable
	Use of Sold Products	Emissions associated with the usage of sold products that directly consume energy	N/A	N/A	N/A	Emissions from downstream use of sold products are not included due to data unavailability.
	End-of-Life Treatment of Sold Products	Emissions associated with the disposal of consumer products sold at all business units	N/A	N/A	N/A	Emissions from downstream end-of-life treatment of sold products are not included due to data unavailability.
	Downstream Leased Assets	Emissions associated with 73 investment properties (buildings owned but not operated by CTC)	Downstream leased assets fall under the Business and Operations segment and therefore follow the sampling strategy methodology. See methodology on Scope 1 and 2 for further detail.	0%	4,555	HFCs and PFCs from refrigeration units; deemed non-material.
	Franchises	Emissions associated with the operations of 1,050 non-corporate stores including Canadian Tire dealer stores, Mark's, SportChek and PartSource franchise stores and Petroleum agent sites	Franchises fall under the Business and Retail Operations segment and therefore follow the sampling strategy methodology. See methodology on Scope 1 and 2 for further detail.	53%	135,001	HFCs and PFCs from refrigeration units; deemed non-material.
	Investments	Emissions associated with equity and debt investments and project finance	N/A	N/A	N/A	Emissions from investment are not included due to data unavailability and materiality assessment.

TABLE 7
2011 BASELINE YEAR RECALCULATION

BY VALUE-CHAIN SEGMENTS	PUBLISHED SEPTEMBER, 2020 GHG EMISSIONS (CO_2E TONNES)	PUBLISHED JUNE, 2017 GHG EMISSIONS (CO_2E TONNES)	CHANGE (B) / W	JUSTIFICATIONS FOR RECALCULATION
PRODUCTS	3,987,217	3,987,217		No change
PRODUCT TRANSPORT	285,204	326,022	(40,817.79)	Restatement due to the adoption of Clean Cargo Working Group (CCWG) methodology for calculating emissions from ocean transportation and using the Clean Cargo Global Container Shipping Trade Lane Emissions Factors
BUSINESS AND RETAIL OPERATIONS	266,248	266,248		No change
TOTAL	**4,538,669**	**4,579,487**	**(0.9%)**	

TABLE 8
2018 RECALCULATION

BY VALUE-CHAIN SEGMENTS	PUBLISHED SEPTEMBER, 2020 GHG EMISSIONS (CO_2E TONNES)	PUBLISHED AUGUST, 2018 GHG EMISSIONS (CO_2E TONNES)	CHANGE (B) / W	JUSTIFICATIONS FOR RECALCULATION
PRODUCTS	3,344,399	3,344,399		No change
PRODUCT TRANSPORT	311,906	362,668	(50,762.67)	Restatement due to the adoption of Clean Cargo Working Group (CCWG) methodology for calculating emissions from ocean transportation and using the Clean Cargo Global Container Shipping Trade Lane Emissions Factors
BUSINESS AND RETAIL OPERATIONS	251,273	251,273		No change
TOTAL	**3,907,578**	**3,958,340**	**(1.3%)**	

TABLE 9
GLOSSARY OF TERMS — ENVIRONMENTAL FOOTPRINT

AREA OF MEASUREMENT	DEFINITIONS	MAIN GAPS
CORPORATE AND SUPPLY CHAIN ENVIRONMENTAL FOOTPRINT	Environmental impacts and resources used throughout Canadian Tire's extended value chain from raw material acquisition, product manufacturing, product transportation, buildings operations, business travel, product use and product end-of-life. Metrics currently measured are energy, carbon and water from raw material acquisition to buildings operations.	Emissions related to non-retail products and waste; employee commuting; product use and product end-of-life
ENERGY USED (GJ) AND GHG EMISSIONS FROM PRODUCTS	Energy used and GHG emissions from raw material acquisition and processing, transport to manufacturing site and manufacture of retail products. This includes all consumer units of Canadian Tire, PartSource, Mark's and SportChek retail products received in a given year by a store, distribution centre or third-party warehouse on CTC's behalf. Energy used and GHG emissions from crude oil extraction, transport to refining sites and refining of fuels sold at Petroleum sites in a given year.	Gas+ kiosk products, Canadian Tire non-corporate products (products ordered directly from vendors by stores), Financial Services products, FGL Corporate product shipped direct to stores, baseline year Pro Hockey Life purchases since data prior to Dec. 29, 2013 acquisition unavailable
ENERGY USED AND GHG EMISSIONS FROM BUSINESS AND RETAIL OPERATIONS	Energy used and GHG emissions from the operation of CTC's buildings, equipment, and owned and leased vehicles such as yard trucks, company cars and service vans (excluding product transport captured separately). This includes all operations across Canada including offices, distribution centres, Corporate/Franchise/Dealer/Agent stores within CTC, Canadian Tire, PartSource, Financial Services, Mark's, SportChek, Helly Hansen and Gas+ sites.	HFCs and PFCs from refrigeration at corporate and non-corporate locations Canadian Tire and Petroleum fuel leakages
ENERGY USED AND GHG EMISSIONS FROM PRODUCT TRANSPORT	Energy used and GHG emissions from Canadian Tire fleet trucks and vehicles for the transport of Canadian Tire and PartSource products. Energy used and GHG emissions from third-party vendors to transport CTR, PartSource, Mark's, SportChek, and Helly Hansen retail products from the manufacturing vendor (Freight-on-Board (FOB) Point) to the store. Energy used and GHG emissions from third-party vendors to transport Petroleum fuels from refining sites to stations.	SportChek/Mark's DC to store and Gas+ kiosk product transport Less than 10% of CTR transport activity Canadian Tire shipping packaging weights CTR non-corporate product transport HFCs and PFCs from pipeline leakages and refrigerated trucks
SCOPE 1 EMISSIONS	Direct emissions from the combustion of on-site and mobile fuels that occur at, or are associated with, facilities and operations under CTC's operational control.	HFCs and PFCs from refrigerated units
SCOPE 2 EMISSIONS	Indirect emissions that occur off-site from the production of energy, such as electricity, which is then purchased for use at facilities and operations under CTC's operational control.	No known gaps
SCOPE 3 EMISSIONS	Other indirect emissions from CTC's supply chain, such as emissions from non-corporate locations (Dealer/Franchise/Agent stores), product transport by third-party and product manufacture by third-party.	See energy used and GHG emissions from products, product transport and business and retail operations comments
WASTE DIVERTED	All waste streams that were disposed of in a manner excluding landfill. This includes recycling, incineration and organic waste composting.	No known gaps
WASTE GENERATED AT CORPORATE LOCATIONS	Waste generated from the operation of corporate locations and Toronto Distribution Centres for which waste data was available. This includes offices, Petroleum, PartSource, Mark's and SportChek stores. Full year waste data was available for the DCs while data for retail locations and offices covered 6 months of 2013 and was extrapolated using 2014 insights to estimate the remainder of the year.	Canadian Tire stores, Sports Experts/Mark's franchise locations, retail locations in shopping malls where waste is consolidated, some Petroleum locations. Hazardous waste at the DCs.

TABLE 9 (CONT'D)
GLOSSARY OF TERMS — OTHER TERMS

TERM	DEFINITION
"CTC", "COMPANY", "CORPORATION", "ENTERPRISE"	Canadian Tire Corporation Limited.
CANADIAN TIRE	Refers to the general merchandise retail and services businesses carried on under the Canadian Tire name and trademarks, unless the context requires otherwise.
CANADIAN TIRE REAL ESTATE LIMITED (CTREL)	A wholly owned subsidiary of CTC.
FINANCIAL SERVICES	Refers to the business carried on by the operating subsidiaries of CTFS Holdings Limited ("CTFS Holdings"), namely Canadian Tire Bank ("CTB" or the "Bank") and CTFS Bermuda Ltd. ("CTFS Bermuda").
HELLY HANSEN	Refers to the international wholesale and retail businesses carried on under the Helly Hansen and other related names and trademarks.
MARK'S	Refers to the retail business carried on by Mark's Work Wearhouse Ltd. under the Mark's, Mark's Work Wearhouse and L'Équipeur names and trademarks.
PARTSOURCE (PS)	Refers to CTC's specialty automotive retail business.
PETROLEUM	Refers to the retail petroleum business carried on under the Canadian Tire and Gas+ names and trademarks.
SPORTCHEK	Refers to the retail businesses carried on by FGL Sports Ltd. under the SportChek, Sports Experts, Atmosphere, National Sports, Sports Rousseau and Hockey Experts names and trademarks, unless the context requires otherwise.

TABLE 10
GLOSSARY OF TERMS — SUSTAINABILITY TERMS

TERM	DEFINITION
CO_2E	Carbon dioxide equivalent expresses all greenhouse gases in the measurement of carbon dioxide by adjusting other types of greenhouse gases (methane, nitrous oxide, sulphur, hexafluoride, hydrofluorocarbons, and perfluorocarbons) to their carbon dioxide equivalent based on their relative Global Warming Potential (GWP).
CRADLE-TO-GATE	Cradle-to-gate is a portion of a product's life cycle, starting with raw material acquisition and ending at the shipping or receiving gate of a company.
EMISSION FACTORS	Calculation factor used to measure greenhouse gases (GHGs) released from the production/use of raw material/energy.
ENVIRONMENTAL PROTECTION AGENCY (EPA)	A branch of the United States Federal Government in charge of protecting human health and the environment, by writing and enforcing regulations based on laws passed by Congress.
GHG PROTOCOL	A multi-stakeholder collaboration facilitated by the World Business Council on Sustainable Development (WBCSD) and the World Resources Institute (WRI) to establish and promote business standards for GHG accounting and reporting. CTC's Sustainability Reporting follows the GHG Protocol Corporate, Project and Value Chain (Scope 3) Accounting Standards.
GIGAJOULES (GJ)	A unit of measurement for energy use.
GLOBAL WARMING POTENTIAL (GWP)	Calculation factor used to measure CO_2e from different greenhouse gases. A relative measure of how much heat a greenhouse gas traps in the atmosphere.
GREENHOUSE GAS (GHG)	Represents one or a combination of the following gases: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), sulphur hexafluoride (SF_6) hydrofluorocarbons (HFCs), and perfluorocarbons (PFCs).
INTERGOVERNMENTAL PANEL ON CLIMATE CHANGE (IPCC)	The leading international body for the assessment of climate change established to provide the world with a clear scientific view on the current state of knowledge on climate change and its potential environmental and socio-economic impacts.
SQUARE METRES	Measurement of the buildings' functional area. Canadian Tire retail store functional area includes ground coverage, mezzanine areas, other floors, and second level racking system. Garden Centres are excluded. For Canadian Tire Petroleum stations this includes convenience kiosks, gas bar canopies, car washes, and Pit-Stops. For Mark's, FGL Sports, PartSource and Financial Services locations, functional area is the equivalent of the gross leasable area.
TONNE-KILOMETRES	Distance travelled from vendor to stores in kilometres multiplied by weight of products and related equipment in metric tonnes. Used in the calculation of the product transport carbon and energy footprint.
WORLD BUSINESS COUNCIL FOR SUSTAINABLE DEVELOPMENT (WBCSD)	A CEO-led, global association of some 200 companies dealing exclusively with business and sustainable development, providing companies a platform to explore sustainable development and share knowledge, experiences and best practices.
WORLD RESOURCE INSTITUTE (WRI)	A global environmental think tank that works with governments, companies, and society to build solutions to urgent environmental challenges.

TABLE 11
GRI INDEX

GRI #	TITLE	LINK
ORGANIZATIONAL PROFILE		
GRI 102-1	Name of the Organization	Canadian Tire Corporation (CTC)
GRI 102-2	A Description of the Organization's Activities	FY2019 Annual Information Form, pg 3 Section 2
GRI 102-3	Location of Headquarters	FY2019 Annual Information Form, pg 2 Section 1
GRI 102-4	Location of Operations	FY2019 Annual Information Form, pg 3 Section 2
GRI 102-5	Ownership and Legal Form	FY2019 Annual Information Form, pg 2 Section 1
GRI 102-6	Markets Served	FY2019 Annual Information Form, pg 3 Section 2
GRI 102-7	Scale of the Organization	FY2019 Annual Information Form, pg 3 Section 2
GRI 102-8	Information on Employees	FY2019 Annual Information Form, pg 19 Section 2.9
GRI 102-9	A Description of the Supply Chain	FY2019 Annual Information Form, pg 13 "Retail Supply Chain and Distribution Network"
GRI 102-10	Significant Changes to the Organization	FY2019 Annual Information Form, pg 21 Section 3.1
GRI 102-11	Precautionary Principle or Approach	FY2019 Annual Information Form, pg 17 "Enterprise Risk Management Framework"
GRI 102-12	External Initiatives	See Our Associations and Awards
GRI 102-13	Membership of Associations	CTC is a member of several retail advocacy and business associations, such as the Retail Council of Canada, Retail Industry Leaders Association, Ontario Chamber of Commerce, and others.
STRATEGY		
GRI 102-14	CEO Statement	Page 01
ETHICS & INTEGRITY		
GRI 102-16	Code of Conduct	Canadian Tire Corporation Business Code of Conduct
GOVERNANCE		
GRI 102-18	Governance Structure	See Our Organization
STAKEHOLDER ENGAGEMENT		
GRI 102-40	List of Stakeholder Groups	FY2015 Materiality Asessment
GRI 102-41	Collective Bargaining Agreements	None of CTC's retail banners or business units are covered by a collective bargaining agreement.
GRI 102-42	Identifying and Selecting Stakeholders	FY2015 Materiality Asessment
GRI 102-43	Approach to Stakeholder Engagement	FY2015 Materiality Asessment
GRI 102-44	Key Topics and Concerns Raised	FY2015 Materiality Asessment
REPORTING PRACTICE		
GRI 102-45	Entities Included in Financial Statements	FY2019 Canadian Tire Corporation Report to Shareholders, pg 93 Notes to the Consolidated Financial Statements, Section 6
GRI 102-46	Defining Report Content and Topic Boundaries	See Our Approach
GRI 102-47	List of Material Topics	See Our Approach
GRI 102-48	Restatements of Information	See Table 7
GRI 102-49	Changes in Reporting	In 2019, impacts from Helly Hansen's buildings/product transportation, SportChek/Mark's product transportation, and eCommerce have been included in our reporting for the first time.
GRI 102-50	Reporting Period	Calendar Year 2019 (January 1, 2019 to December 31, 2019)
GRI 102-51	Date of Most Recent Report	2018 Environmental Footprint Summary
GRI 102-52	Reporting Cycle	Annual
GRI 102-53	Contact Point for Questions About the Report	triangle.sustainability@cantire.com
GRI 102-54	Claims of Reporting in Accordance with Standards	This report has been prepared in accordance with the GRI Standards: Core option.
GRI 102-56	External Assurance	External Assurance Report

TABLE 11 (CONT'D)
GRI INDEX

GRI #	TITLE	LINK
ENERGY		
GRI 103-1	Explanation of the Material Topic	As a responsible corporate citizen, CTC is committed to environmental sustainability and reducing our carbon footprint in line with Canadian and global goals. We measure the energy use and GHG emissions across our entire value chain, from the extraction of raw material that forms our products, to the transportation of products through our supply chain and the impacts of heating and powering our stores.
GRI 103-2	The Management Approach	FY2019 Canadian Tire Corporation Report to Shareholders, pg 56 Section 12.1.1 "Climate" See also Products and Packaging Buildings Transportation and Supply Chain
GRI 103-3	Evaluation of the Management Approach	See 2019 Results
GRI 302-1	Energy Consumption Within the Organization	See Table 5
GRI 302-2	Energy Consumption Outside of the Organization	See Table 5
GRI 302-3	Energy Intensity	See Table 2
GRI 302-4	Reduction of Energy Consumption	FY19 Sustainability Performance Report
EMISSIONS		
GRI 103-1	Explanation of the Material Topic	As a responsible corporate citizen, CTC is committed to environmental sustainability and reducing our carbon footprint in line with Canadian and global goals. We measure the energy use and GHG emissions across our entire value chain, from the extraction of raw material that forms our products, to the transportation of products through our supply chain and the impacts of heating and powering our stores.
GRI 103-2	The Management Approach	FY2019 Canadian Tire Corporation Report to Shareholders, pg 56 Section 12.1.1 "Climate" See also "Products and Packaging, Buildings, Transportation, and Supply Chain"
GRI 103-3	Evaluation of the Management Approach	See 2019 Results
GRI 305-1	Direct (Scope 1) GHG Emissions	See Table 3
GRI 305-2	Energy Indirect (Scope 2) GHG Emissions	See Table 3
GRI 305-3	Other Indirect (Scope 3) GHG Emissions	See Table 3
GRI 305-4	GHG Emissions Intensity	See Table 2
GRI 305-5	Reduction of GHG Emissions	FY19 Sustainability Performance Report

FORWARD LOOKING STATEMENTS

Certain statements made in this report, including targets, may constitute forward-looking information. These statements are being provided for the purpose of providing information about management's current expectations and plans with respect to sustainability initiatives. Readers are cautioned that such information may not be appropriate for other purposes. For information on the risks, uncertainties and assumptions that could cause the CTC's actual results to differ from current expectations, refer to section 13 (Caution Regarding Forward-looking Statements) of our Management's Discussion and Analysis for the year ended December 28, 2019.