

## **CANADIAN TIRE CORPORATION, LIMITED CHAIRMAN OF THE BOARD POSITION DESCRIPTION**

### **Section 1. General Statement of Responsibilities**

The Chairman of the Board (“Chairman”) of Canadian Tire Corporation, Limited (“Corporation”) is responsible for leading highly effective performance by the Board of Directors (“Board”) of the Corporation. The Chairman is a non-executive Chairman and as such is not responsible for the management of any aspect of the Corporation’s business. The Chairman is an officer of the Corporation appointed by the Board.

The primary focus of the Chairman is on governance, maintaining ethical standards and building the Board into an effective, high performing team capable of fulfilling the broad range of its responsibilities, including oversight of the business, strategic planning, and succession planning. The Chairman should strive to create and maintain an effective Board culture and a productive boardroom dynamic at all times and in all situations.

In discharging his or her responsibilities, the Chairman will (i) provide leadership to the Board on specific issues, (ii) assist the Board in performing its duties and meeting its obligations, including those specified in the mandate of the Board, (iii) in accordance with applicable policies, act as the spokesperson for the Board, (iv) at the request of the Board and/or the Chief Executive Officer of the Corporation (“CEO”), act as an intermediary between the Board and the CEO, and (v) at the request of the Board and/or the CEO, provide advice and counsel to the CEO.

To be effective, the Chairman must strive to forge a strong relationship with the CEO. The Chairman and the CEO should develop a shared context, agree on fundamental values and ethical standards, and understand the accountabilities and boundaries of their respective roles.

In addition, the Chairman is responsible for strengthening relationships among Board members (“Directors”), between the Chairman and Directors, between management and the Board, between the CEO and the Board, and with the controlling shareholder with the expectation that strong relationships, coupled with knowledge of the issues, can lead to better decision-making. The Chairman should aspire to facilitate a relationship between the Board and management that is constructive and collaborative, while at the same time maintaining a healthy tension between the two and, on the part of the Board, an attitude of healthy scepticism.

In order to fulfill his or her responsibilities, the Chairman must devote considerable time to developing, in some detail, knowledge of the Corporation’s business and to understanding the issues and challenges (both internal and external) confronting both the Board and management. He or she must also get to know and understand the perspectives of management.

### **Section 2. Specific Responsibilities of the Chairman**

Without limiting the generality of the responsibility of the Chairman as described in Section 1 above, the Chairman shall:

### **Pre-Board Meeting Responsibilities**

- (a) in consultation with management, schedule an appropriate number of Board meetings each calendar year so as to enable the Board to deal on a timely basis with all matters for which the Board is responsible and with which the Board as a whole chooses or is obliged to deal;
- (b) in consultation with the chairmen of the committees of the Board (“Committee Chairmen”), the CEO, the Secretary of the Corporation (“Secretary”) and other members of management, as appropriate, establish the agenda for each Board meeting with a view to bringing before the Board (i) matters in respect of which the Chairman, the Committee Chairmen, the CEO, the Secretary or other members of management require or want Board direction or approval, (ii) matters with which the Board wishes or is obliged to deal, and (iii) matters on which the Board or any Director wishes to receive information;
- (c) use his or her best efforts to provide or to cause to be provided to the Board in a reasonable time in advance of each Board meeting all reasonably required and available information relating to each matter to be dealt with by the Board at that meeting;
- (d) in consultation with the CEO and other members of management, as appropriate, determine the individuals who should attend Board meetings, including members of management and external advisors;
- (e) where, in the Chairman’s opinion, the subject matter and expected duration of a Board meeting or the particular circumstances of a Director would so warrant, provide a Director or Directors with the opportunity and the means to participate in the meeting by means of telephone, teleconference, videoconference or other methodology by which the Director or Directors participating in the meeting are able to speak to and be heard by each other;
- (f) review every written presentation to be made to the Board or to any committee of the Board before such written presentation is provided to Directors;
- (g) prior to any Board meeting, confer with one or more Directors on any matter to be discussed at the Board meeting if, in the Chairman’s opinion, the discussion of that matter at the Board meeting would be thereby enhanced;

### **Conduct of Board Meetings**

- (h) act as the chairman of each Board meeting;
- (i) conduct the business of each Board meeting in a manner which will result in all matters on the meeting’s agenda being dealt with effectively and appropriately;
- (j) at his or her discretion, propose the termination of discussion on any matter at a Board meeting when he or she is of the opinion that the matter has been thoroughly discussed and that no new points of view or information are being presented, with the understanding that the Chairman’s discretion in such cases will be exercised so as to err on the side of allowing full discussion rather than limited discussion;

- (k) attempt to achieve resolution of those matters discussed at a Board meeting in respect of which (i) the Board's decision, views or advice have been requested or are required, and (ii) Directors have expressed conflicting positions, views or advice, but such attempt should in no way inhibit a Director from maintaining a different position, view or advice;
- (l) ensure that all Directors who wish to address a matter at a Board meeting are afforded a reasonable opportunity to do so;
- (m) in circumstances where there is a question of whether or not a Director has a conflict of interest within the meaning of the *Business Corporations Act* (Ontario) with respect to a matter to be discussed at a Board meeting, in consultation with the General Counsel of the Corporation and, if necessary, with the Chairman of the Governance Committee, determine whether an actual conflict of interest exists and, where such a determination is made, require the Director to excuse himself or herself from the Board discussion of that matter and the Director shall not vote on any resolution in respect of that matter;

### **Board Culture**

- (n) provide leadership in promoting and supporting a Board culture characterized by,
  - (i) high performance and commitment;
  - (ii) direct and candid communication among Directors and between the Board and management;
  - (iii) the Board's acceptance of, and commitment to, its accountability for the performance of the Corporation;
  - (iv) the acceptance by each Director of his or her responsibility to use his or her best efforts in carrying out his or her duties as a Director;
  - (v) the Board's insistence on the highest level of integrity, accountability and honesty in the actions of the Board and management;
  - (vi) respect and trust among Directors;
  - (vii) subject to the principles expressed in (m) above, the open and timely sharing of all relevant information among Directors to ensure that all Directors have complete information;
  - (viii) acceptance by all Directors of the right of every Director to hold and express dissenting opinions;
  - (ix) a genuine commitment by Directors to good governance practices; and
  - (x) thoughtfully and constructively challenging management and providing appropriate feedback to management;

### **Board Composition, Education, Evaluation and Compensation**

- (o) in consultation with the Governance Committee of the Board,
  - (i) assist in the identification of the skills and experience that are required on the Board at any given time;
  - (ii) assist in the identification of appropriate Director candidates to be nominated for election to the Board;
  - (iii) communicate on behalf of the Board with all proposed nominees for election to the Board;

- (iv) arrange for management of the Corporation to provide new Directors with a comprehensive orientation and education program with respect to the Corporation and its businesses;
  - (v) assist in the development of processes for evaluating the performance of the Board, the committees of the Board, the Chairman and individual Directors;
  - (vi) use reasonable efforts to cause the Board to be made aware on a timely basis of changes in the law and/or best practices respecting the duties of the Board and Directors; and
  - (vii) provide the Board with information and recommendations regarding the amount and nature of Directors' compensation;
- (p) approve the expenses of the Directors;

#### **Relationship with the Board's Committees**

- (q) communicate regularly with the Committee Chairmen, assisting them with the work of the committees of the Board, as appropriate;
- (r) assist the Governance Committee in developing recommendations to the Board with respect to the composition and chairman of the Governance Committee;
- (s) assist the Governance Committee in establishing the composition of the other committees and designating the Committee Chairmen of those committees;
- (t) assist the Governance Committee and the other committees of the Board in regularly reviewing the mandates of all committees of the Board with a view to recommending to the Board appropriate amendments to the committees' mandates;
- (u) assist the Governance Committee in regularly reviewing the mandate of the Board with a view to recommending to the Board appropriate amendments to the Board's mandate;
- (v) attend all meetings of all committees of the Board for the purpose of (i) assisting the committees to meet their obligations under their mandates, and (ii) gaining a better understanding of the issues that are discussed by the committees in order to facilitate the effective and efficient presentation and discussion of these issues at meetings of the Board, and to facilitate the creation and prioritization of the Board meeting agendas;

#### **CEO Evaluation, Compensation and Succession**

- (w) ensure that matters relating to CEO performance, compensation and succession are brought for consideration by the Management Resources and Compensation Committee and the Board on a regular basis;

#### **Other Responsibilities**

- (x) assist the Board, each committee of the Board and management in understanding and respecting the boundaries between the responsibilities of the Board and the committees of the Board and the responsibilities of management;
- (y) meet or be available for discussion with Directors between meetings of the Board;

- (z) following each meeting of the Board, review the draft minutes of the meeting with the Secretary, make any amendments that may be required, and approve the final draft before it is submitted to the Directors for approval;
- (aa) advise management of each decision made by the Board *in camera* which requires implementation by management;
- (bb) act as chairman at all meetings of shareholders of the Corporation, review the draft minutes of meetings of shareholders with the Secretary, make any amendments that may be required and approve the final meeting minutes;
- (cc) oversee the Secretary's corporate secretarial activities relating to the work of the Board;
- (dd) authorize any Director to retain legal counsel or other advisors to advise the Director in connection with the Director's discharge of his or her duties as a Director of the Corporation; and
- (ee) perform such other functions as the Board may reasonably specify from time to time, including being available to address inquiries by shareholders with respect to certain prescribed matters that have been deemed appropriate for response by the Chairman.