

CANADIAN TIRE CORPORATION, LIMITED MANAGEMENT RESOURCES AND COMPENSATION COMMITTEE MANDATE

The Board of Directors (the “Board”) of Canadian Tire Corporation, Limited (the “Corporation”) has established the Management Resources and Compensation Committee (the “Committee”) to oversee the Corporation’s talent management and compensation strategy, plans, policies and procedures.

This mandate (the “Mandate”) sets out the Committee’s purpose, composition, member qualifications, member appointment and removal, responsibilities, operations, manner of reporting to the Board, requirement for an evaluation of this Mandate and the Committee, and certain other items.

1. Definitions

For the purpose of this Mandate, the following terms have the following meanings:

- (a) “Senior Executives” means employees of the Corporation and its subsidiaries at the level of Senior Vice-President and above, and for greater certainty includes the Chief Executive Officer unless the context otherwise requires; and
- (b) “Senior Management” means employees of the Corporation and its subsidiaries at the level of Associate Vice-President and Vice-President.

2. Purpose of the Committee

The Committee is responsible for performing the duties set out in section 6 of this Mandate to enable the Board to fulfill its oversight responsibilities in relation to the Corporation’s:

- (a) talent management and succession planning programs relating to Senior Management and Senior Executives;
- (b) recruitment, development and retention of Senior Management and Senior Executives;
- (c) appointment, performance evaluation and compensation of Senior Executives;
- (d) compensation structure for Senior Management and Senior Executives including salaries, annual and long-term incentive plans and plans involving share issuances and share unit awards;
- (e) share ownership guidelines for Senior Executives; and
- (f) benefit, retirement and savings plans.

3. Composition of the Committee

- (a) The Committee shall be comprised of at least five Directors, each of whom shall be an independent director as defined under the applicable requirements of the securities regulatory authorities as adopted or amended and in force from time to time. None of the Committee members shall be officers of the Corporation and not more than one third of the

Committee members shall be current chief executive officers of a publicly traded corporation.

- (b) One of the Committee members shall be designated by the Governance Committee as the Committee Chairman.

4. Member Qualifications

Each member of the Committee shall have or develop an understanding of management resources and compensation principles and practices.

5. Member Appointment and Removal

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

6. Responsibilities of the Committee

(a) Talent Management and Succession Planning

- (i) With respect to the Corporation's principal risk relating to "People", the Committee shall obtain reasonable assurance that the Corporation has in place appropriate talent management, training, development and succession planning programs for Senior Management and Senior Executives as well as appropriate resources for such programs.
- (ii) The Committee shall review and report to the Board annually on the Corporation's succession for Senior Executives and its practices relating to identifying, training and preparing high-potential candidates for advancement. The Committee may also at its discretion request information on the management resources of any part of the Corporation or its subsidiaries.
- (iii) The Committee shall review annually the Chief Executive Officer's assessment of all Senior Executives.
- (iv) The Committee shall determine annually, as distinct from the Corporation's succession process, the identity of emergency replacements for the Chief Executive Officer, the Chief Financial Officer and the presidents of business units.

(b) Appointment, Performance Assessment and Compensation of the Chief Executive Officer

- (i) The Committee shall review and recommend to the Board:
 - (A) the appointment, terms of employment and termination of the Chief Executive Officer;
 - (B) the base salary (and any changes thereto) of the Chief Executive Officer;
 - (C) any discretionary bonuses or payouts to the Chief Executive Officer;

- (D) quantitative and qualitative performance objectives, both short and long-term, for the Chief Executive Officer; and
 - (E) a process for assessing annually the performance of the Chief Executive Officer against, inter alia, the agreed objectives.
- (ii) The Committee shall conduct an annual assessment of the Chief Executive Officer's performance in accordance with the approved process and report thereon to the Board.
 - (iii) The Chairman of the Committee, together with the Chairman of the Board, shall approve the participation by the Chief Executive Officer on the board of directors of any external corporation, commercial or not-for-profit (an "External Board").

(c) Appointment and Compensation of Senior Executives and Senior Management

- (i) The Committee shall review and recommend to the Board:
 - (A) the appointment and the principal terms of employment and termination of Senior Executives (to the extent such terms differ materially from the standard forms approved previously by the Committee);
 - (B) changes to the base salaries of those Senior Executives who report directly to the Chief Executive Officer;
 - (C) any discretionary bonuses or payouts proposed for Senior Executives who report directly to the Chief Executive Officer; and
 - (D) the base salary ranges for Senior Management and Senior Executives.
- (ii) The Committee shall review and approve:
 - (A) changes to the base salaries of those Senior Executives who do not report directly to the Chief Executive Officer; and
 - (B) any discretionary bonuses or payouts proposed for Senior Executives who do not report directly to the Chief Executive Officer.
- (iii) The Committee shall review annually the annual objectives of those Senior Executives who report directly to the Chief Executive Officer.
- (iv) The Committee shall review and approve annually share ownership guidelines for Senior Executives. The Committee shall review as required the ownership position of each Senior Executive relative to his or her share ownership guidelines.
- (v) The Committee shall review membership by any Senior Executive on an External Board that has been approved by the Chief Executive Officer.

(d) Compensation Philosophy and Design

- (i) The Committee shall annually review and recommend to the Board the Corporation's executive compensation philosophy and the general design and make-up of its broadly applicable compensation programs. The Committee shall consider the compensation practices of a select group of companies it considers to be reasonably comparable with the Corporation in terms of size and complexity, recognizing that market data and the Corporation's positioning relative to the comparator group are to be used as reference points only and shall not be determinative of the design of the Corporation's compensation programs. In its review, the Committee shall assess the linkage of executive compensation philosophy and executive incentive plans to the Corporation's financial and non-financial performance and its business strategy.
- (ii) The Committee shall annually review and approve the Executive Compensation disclosure, including the Compensation Discussion and Analysis, and the report of the Committee's activities for inclusion in the Corporation's management information circular.

(e) Incentive Compensation Plans

The Committee shall be responsible for:

- (i) reviewing and recommending to the Board the design of short-term, long-term and other incentive plans for Senior Management and Senior Executives; and
- (ii) subject to the compensation philosophy approved by the Board, reviewing and approving:
 - (A) grants pursuant to long-term incentive plans;
 - (B) payouts under short-term and long-term incentive plans; and
 - (C) the adjudication of matters impacting short-term or long-term incentive plans.

(f) Benefits and Retirement

- (i) The Committee shall review and recommend to the Board material changes to employee benefit, retirement and savings programs.
- (ii) The Committee shall review and approve, subject to the compensation philosophy approved by the Board, profit sharing awards to eligible employees of the Corporation and its subsidiaries in accordance with the formula for such awards approved by the Board.

(g) Other Key Responsibilities

- (i) The Committee shall review any proposed major organizational design changes of the Corporation and its subsidiaries.

- (ii) The Committee shall monitor the employee experience and engagement within the Corporation through, inter alia, reports from the Chief Executive Officer and the Senior Vice-President, Talent and the results of periodic employee opinion surveys.
- (iii) The Committee shall perform such other responsibilities and duties that are delegated by the Board to the Committee pursuant to the “Delegation of Board Duties to Committees”.

7. Operating Procedures

- (a) The Committee shall meet four times annually and as many additional times as necessary to carry out its duties effectively. Committee meetings shall be held at the call of the Committee Chairman, or upon the request of two Committee members, and a majority of the members of the Committee shall form a quorum.
- (b) The powers of the Committee may be exercised at a meeting at which a quorum of the Committee is present in person or by telephone or other electronic means or by a resolution signed by all members entitled to vote on that resolution at a meeting of the Committee. Each Committee member (including the Chairman) is entitled to one vote in Committee proceedings. For greater certainty, the Chairman does not have a second or casting vote.
- (c) The Committee Chairman shall develop the agenda for all meetings of the Committee as well as an annual work plan responsive to the Committee’s responsibilities as set out in this Mandate and its strategic priorities, all in consultation with Committee members and management, as appropriate.
- (d) Unless the Committee otherwise specifies, the Secretary of the Corporation (or his or her designate) shall act as secretary of the meetings of the Committee, and minutes shall be kept for each Committee meeting.
- (e) The Committee Chairman shall conduct all meetings of the Committee at which he or she is present. In the absence of the Committee Chairman, the Committee members shall appoint an acting Chairman.
- (f) The Committee shall meet in camera at the beginning and conclusion of every meeting of the Committee.
- (g) The Chairman of the Committee may invite any officer or employee of the Corporation or any other person to attend any Committee meetings to participate in the discussion and review of the matters considered by the Committee.
- (h) A copy of the minutes of each meeting of the Committee shall be provided to each Director.

8. Reporting to the Board

The deliberations, decisions and recommendations of the Committee, including with respect to the most significant matters discussed by the Committee, shall be reported to the Board at the Board’s next regular meeting.

9. Evaluation and Assessment of this Mandate, the Committee and its Compliance with this Mandate

- (a) Every three years, the Committee shall review and assess the appropriateness of this Mandate taking into account all applicable legislative and regulatory requirements as well as any best practice guidelines recommended by regulators or stock exchanges with whom the Corporation has a reporting relationship and, if appropriate, recommend changes to the Mandate to the Governance Committee for recommendation to the Board for its approval, except for minor technical amendments to this Mandate, authority for which is delegated to the Secretary or Assistant Secretary of the Corporation, who will report any such amendments to the Committee and the Board at their next regular meetings.
- (b) Every two years, the Committee shall conduct a review and evaluation of the Committee's performance including its ability to meet the requirements of this Mandate, in accordance with the evaluation process developed and approved by the Governance Committee, and provide the results of the performance evaluation to the Governance Committee and the Board.
- (c) The Committee shall develop and recommend to the Governance Committee a position description for the Chairman of the Committee. Every three years, the Committee shall review and update as necessary the Chairman's position description and recommend any changes thereto to the Governance Committee for its approval.

10. Advisors

The Committee may at the expense of the Corporation retain and terminate external advisors having particular expertise for the purposes of fulfilling its Mandate, and shall be entitled to rely in good faith upon any report by any advisor. The Committee shall also have the authority to approve the proposed fees of these external advisors and any other terms of engagement.