

CANADIAN TIRE CORPORATION, LIMITED
BOARD OF DIRECTORS' MANDATE

1. Role of the Board

The Board of Directors (the “**Board**”) of Canadian Tire Corporation, Limited (the “**Company**”) is responsible for the stewardship of the Company. This stewardship role consists primarily of the duty to manage or supervise the management of the business and affairs of the Company, and includes two key functions: decision making and oversight. The decision making function involves the formulation, in conjunction with management, of fundamental policies and strategic goals and the approval of certain significant actions. The oversight function concerns the duty to supervise management’s decisions and to ensure the adequacy of systems and controls and the implementation of appropriate policies.

2. Responsibilities of the Board

The Board’s fiduciary duty is to the Company. The Board is also responsible for taking a long-term view and ensuring that management is doing so. In making its decisions, the Board should consider the financial, risk, competitive, human resource and brand implications of strategies, tactics and transactions proposed by management.

The Board’s duties include:

(a) Strategic Planning

- (i) Providing oversight and guidance on the strategic issues facing the Company.
- (ii) Requiring the CEO, in collaboration with the Board, to develop and present to the Board for approval the Company’s long-term strategic plan.
- (iii) Supervising the development of, and approving, the Company’s annual business plan, which shall include the Company’s financial and operating plans.
- (iv) Monitoring the implementation and effectiveness of the Company’s strategic plan and annual business plan.
- (v) Approving transactions, expenditures, commitments and other business decisions not specifically delegated to management.

(b) Financial Information and Internal Controls

- (i) Overseeing the financial reporting and disclosure obligations imposed on the Board, the Company and senior management by laws, regulations, rules, policies and other applicable requirements.
- (ii) Overseeing the integrity of the Company’s management information systems and the effectiveness of the Company’s internal controls.
- (iii) Overseeing the preparation of and processes relating to management’s reports and attestations with respect to the Company’s internal control over financial reporting and disclosure controls and procedures.
- (iv) Obtaining reasonable assurance that due diligence processes and controls in connection with certification of the Company’s annual and interim filings are in place, monitoring their continued effectiveness, and obtaining confirmation that such filings are in a form that permits their certification.

- (v) Approving the Company's financial statements, management's discussion and analysis, annual information form and news releases containing material information.
 - (vi) Overseeing the Company's compliance with applicable audit, accounting and reporting requirements.
- (c) Company's Relationship with Dealers**
- (i) Overseeing the state of the Company's relationship with its Dealers through consideration of qualitative and quantitative measures in place from time to time, to ensure that the relationship is operating in support of the long-term strategy of the Company, and that its contribution to the success of the Canadian Tire enterprise is being maximized.
- (d) Identification and Management of Risks**
- (i) Overseeing the development and implementation by management of a comprehensive enterprise risk management policy and framework.
 - (ii) Considering and assessing the Company's key and emerging risk exposures and approving the Company's risk appetite statement.
 - (iii) Monitoring the Company's processes for identifying, assessing, mitigating and reporting on the Company's key and emerging risks and management's reports relating to the operation and effectiveness of these processes.
- (e) Human Resource Management and Executive Compensation**
- (i) Obtaining reasonable assurance that there are policies and practices in place to enable the Company to attract, develop and retain the human resources required by the Company to meet its business objectives.
 - (ii) Overseeing the Company's executive compensation plans and programs and overall compensation philosophy for all other employees.
 - (iii) Monitoring the Company's approach to human resource management.
 - (iv) Supervising the succession planning processes of the Company and approving the selection, appointment, development, evaluation and compensation of the Chairman of the Board, the CEO and other senior executives.
- (f) Integrity, Ethics and Social Responsibility**
- (i) Obtaining reasonable assurance as to the integrity of the CEO and other senior management and that the CEO and other senior management strive to create a culture of integrity throughout the Company.
 - (ii) Approving the Company's Code of Conduct for Employees and Directors and Code of Business Conduct for Suppliers (the "**Codes**"), monitoring compliance with the Codes and receiving reports on adherence to the Codes.
 - (iii) Approving other policies and practices for dealing with matters related to integrity, ethics and social responsibility.

(g) Corporate Communications and Public Disclosure

- (i) Monitoring compliance with the Company's policies and processes for accurate, timely and appropriate public disclosure.
- (ii) Maintaining a shareholder engagement process to facilitate responses by the Board to shareholder inquiries.

(h) Governance

- (i) Developing, revising and monitoring the Company's approach to corporate governance.
- (ii) Evaluating the structures and procedures established by the Board which allow the Board to function independently of management.
- (iii) Establishing Board committees and defining their mandates to assist the Board in carrying out its roles and responsibilities.
- (iv) Setting expectations and responsibilities of directors, including attendance at, preparation for, and participation in Board and committee meetings.
- (v) Regularly assessing the effectiveness of the Board, the Chairman of the Board, the committees, each committee chairman and individual directors.
- (vi) Monitoring the composition of the Board with a view to the effectiveness and independence of the Board and its members.
- (vii) Identifying competencies and skills necessary for the Board as a whole and each individual director.
- (viii) Identifying individuals qualified to become new directors.
- (ix) Obtaining reasonable assurance that each new director engages in a comprehensive orientation process and that all directors are provided with continuing education opportunities.
- (x) Reviewing the Board's mandate at least once every three years to ensure it appropriately reflects the Board's stewardship responsibilities.
- (xi) Approving the form and amount of director remuneration for Board and committee service.

3. Delegation of Authority

(a) Delegation to Management

The Board is responsible for establishing formal delegations of authority, which define the limits of management's power and authority, and delegating to management certain powers to manage the business of the Company. The Board has delegated to the CEO certain powers and authorities to manage the business and affairs of the Company, subject to the limitations under the Company's governing legislation. Any power or authority not so delegated remains with the Board of Directors.

(b) Delegation to Committees

The Board has delegated certain matters for which the Board is responsible to its committees for review or approval, as appropriate and to the extent permitted under the Company's governing legislation. The Board reserves the right to exercise any powers or authorities delegated to a committee. The Board also has the right to revoke any of its powers or authorities delegated to a committee, as well as to revoke or vary any decision of a committee (to the extent that such decision has not been acted upon). Any committee decision shall be reported to the Board at its next regularly scheduled meeting.