

## Independent Assurance Statement

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### Introduction

**DNV GL Business Assurance USA, Inc. (DNV GL)** has been commissioned by the management of Canadian Tire Corporation (CTC) to carry out an independent verification of its 2015 environmental footprint claims and assertions relating to GHG emissions (Scope 1, 2 and 3), energy consumption, water consumption embedded in products sold, and waste generated and diverted from landfill. These assertions are relevant to the 2015 calendar year.

CTC has sole responsibility for preparation of the data and external report. DNV GL, in performing assurance work, is responsible to the management of CTC. The assurance statement, however, represents DNV GL's independent opinion and is intended to inform all stakeholders including CTC.

### Scope of Assurance

The scope of work agreed with CTC includes the following:

- Organizational boundaries for the environmental data inventory are all global sites operating under CTC's operational control
- All environmental data were verified for the period January 1<sup>st</sup> to December 31<sup>st</sup>, 2015
- Emissions data verified includes Scope 1, Scope 2 and Scope 3 (purchased goods & services; fuel and energy related activities; upstream transportation; upstream leased assets; downstream leased assets; and franchises)
- Additional environmental metrics verified include energy consumption, water consumption embedded in products sold, and waste generated and diverted from landfill
- The assurance was carried out between November 2016 and January 2017
- Assurance was carried out to a limited level
- The GHG verification was conducted using the World Business Council for Sustainable Development (WBCSD) / World Resources Institute (WRI) Greenhouse Gas Protocol.

### Verification Methodology

DNV GL is a leading provider of sustainability services, including verification of GHG emissions data and other environmental metrics. Our environmental and social assurance specialists work in over 100 countries. Our assurance engagement was planned and carried out in accordance with the DNV GL Verification Protocol for Sustainability Reporting v3.1 (VeriSustain).

In that respect, the environmental footprint inventories have been evaluated against the following criteria:

- Adherence to the principles of materiality, completeness, neutrality, and reliability (the Principles), as set out in the DNV GL Verification Protocol for Sustainability Reporting, and
- The World Business Council for Sustainable Development (WBCSD) / World Resources institute (WRI) Greenhouse Gas protocol

DNV GL used a risk-based approach throughout the assurance engagement, concentrating on the areas that we believe are most material for both CTC and its stakeholders.

The following methods were applied during the verification of CTC's environmental footprint inventories and management processes, the data that supports the company's environmental footprint inventories including assertions and claims presented by the company:

- Review of documentation, data records and sources relating to the corporate environmental footprint data claims and GHG emission assertions;
- Review of the processes and tools used to collect, aggregate and report on all environmental data and metrics;

- Interview of managers and data users representing relevant functions for supporting the environmental inventory management process at both the corporate and site levels;
- Assessment of environmental information systems and controls, including:
  - Selection and management of all relevant environmental data and information;
  - Processes for collecting, processing, consolidating, and reporting the environmental data and information;
  - Systems and processes that ensure the accuracy of the environmental data and information;
  - Design and maintenance of the environmental information system; and
  - Systems and processes that support the environmental information system;
- Performed sample-based audits of the processes for generating, gathering and managing the quantitative and qualitative data;
- Examination of the environmental data and information to develop evidence for the assessment of the environmental claims and assertions made;
- Confirmation of whether or not the organization conforms to the verification criteria; and
- Evaluation of whether the evidence and data are sufficient and support CTC's environmental claims.

## Conclusions

The GHG assertions from the Canadian Tire Corporation are as follows:

Total emissions are 3,887,084 metric tonnes of CO<sub>2</sub>e; 43,200 metric tonnes of CO<sub>2</sub>e for Scope 1; 46,528 metric tonnes of CO<sub>2</sub>e for Scope 2; and 3,797,357 metric tons of CO<sub>2</sub>e for Scope 3 were emitted in 2015.

The 2015 CTC environmental footprint claims are as follows:

- Consumption of energy is 56,642,914 GJ, or 15,734,143 MWh which includes 765,676 GJ or 212,688 MWh Scope 1 (direct energy consumption) and 790,726 GJ or 219,646 MWh Scope 2 (indirect energy consumption) with a total of 1,556,402 GJ or 432,334 MWh for Scope 1 and Scope 2 energy combined;
- Water consumption embedded throughout the supply chain in products sold is 55,703,725 m<sup>3</sup>; and
- Waste diverted from landfill is 16,075 metric tons, a landfill diversion rate of 67%.

Based on the processes and procedures conducted with a limited assurance, there is no evidence that the environmental claims and assertions listed above are not materially correct and are not a fair representation of environmental data and information, and have not been prepared in accordance with the calculation method referenced.

## Independence

DNV GL was not involved in the preparation of any part of CTC's data or report. This is our third year of providing assurance for CTC. We adopt a balanced approach towards all stakeholders when performing our evaluation.

**DNV GL Business Assurance USA, Inc.**  
**Oakland, California**  
**January 17, 2017**



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The purpose of the DNV GL group of companies is to promote safe and sustainable futures. The USA & Canada Sustainability team is part of DNV GL Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance.  
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