



Canadian Tire Releases Business Sustainability Results for the Third Quarter

- Sustainability initiatives expand to include Mark's
- Sustainability work recognized through multiple awards and inclusion in a prominent sustainability stock index

TORONTO, November 10, 2011 – Canadian Tire Corporation, Limited's (CTC, CTC.a) ongoing integration of sustainable practices into its business operations resulted in the completion of 84 initiatives¹ during the third quarter. As a result, Canadian Tire is forecasted to annually avoid more than \$1.1 million in costs, 596 tonnes of waste, and more than 1,200 tonnes² of greenhouse gas (GHG) emissions – equivalent to the energy use and emissions from powering more than 138 Canadian homes each year.

Canadian Tire expanded the implementation of its sustainability initiatives to its Mark's business unit in the quarter through the retrofit of high-efficiency lighting in 13 stores. With these improvements, Mark's is forecasted to annually avoid more than \$54,000 in costs and over 520 tonnes of GHG emissions.

"We have achieved tremendous business and environmental results on the Canadian Tire Retail side, and we're very pleased to expand our initiatives to include our other business units, starting with Mark's," said Tyler Elm, Vice President, Business Sustainability, Canadian Tire. "With more members of the Canadian Tire family working together to improve our business sustainability performance, we are confident that we will see even more significant results in the future."

Canadian Tire's work in business sustainability has garnered increased recognition from the investment community and a string of prestigious awards for the work of both individuals and departments:

- Canadian Tire was recently added to the STOXX Global ESG (environmental, social and governance) Leaders Index family. Of the 316 constituents, 15 are based in Canada and Canadian Tire is the only Canadian retailer included. The index represents the leading global companies in terms of environmental, social and governance criteria, based on ESG indicators provided by Sustainalytics, which has provided research for the Socially Responsible Investment and Responsible Investment markets for more than 20 years.
- In recognition for leading the transformation of Canadian Tire's approach to sustainability, Tyler Elm, Canadian Tire's Vice President of Business Sustainability, was selected by Delta Management Group as one of Canada's Clean50, a collection of 50 individuals or small teams who have had the greatest effect on Canada's long-term sustainability and contributed the most to clean capitalism in this country over the past few years.
- Subsequent to the end of the quarter, Elm was also named one of twenty winners of Green Living's Excellence in Corporate Responsibility Awards, placing first in the "Large Business, Senior Leader: Retail, Packaged Goods, and Consumer Brands." The program honours and celebrates corporate Canadians at small, medium and large corporations for outstanding work and dedication in creating sustainable and ethical practices within the business framework.
- Also in October, Canadian Tire won and placed in two CATIE awards - Best practices in Trade Compliance Processes and Greening of the Supply Chain, respectively. Given by the Canadian Association of Importers and Exporters, the awards celebrate excellence in Canada's trade community and recognize corporations that have taken a leadership role in Canadian Trade.

¹ Initiatives vary in complexity and size from changes made to an individual retail product, a retrofit made to a fleet vehicle or the building of a new store. Project completion for these initiatives is defined by a) the commercial operation date for buildings and product transport projects, b) the approval date for operations and product projects. Projects are reported in the quarter they are completed, unless data is not available, in which case the completed project is reported in a future quarter provided it is in the same year of the project's complete date or the first quarter of the following year.

² Measured as carbon dioxide equivalents (CO₂-eq). Greenhouse gasses such as methane (CH₄) and nitrous oxide (N₂O) are converted to their carbon dioxide equivalent based on their relative global warming potential (GWP).

- In early November, Canadian Tire's Quebec Dealers were honoured for their work on Canadian Tire's Go Eco Program with the 3M Environmental Innovation Award from the Royal Canadian Geographical Society. The Award recognizes individuals involved in a local, regional or national project, program or initiative that has provided innovative solutions that protect, restore or preserve the environment.

Through Canadian Tire's business sustainability strategy, 365 initiatives¹ have been implemented year-to-date and are forecasted² to annually avoid³ approximately \$4.5 million in costs, 2,300 tonnes of waste, and 5,300 tonnes of greenhouse gas emissions⁴. Details of the progress made year-to-date are presented below³:

	Products and Packaging	Product Transportation	Buildings and Operations	Total
Completed Initiatives¹	177	26	162	365
Cost Avoidance⁴ (\$)	\$3,425,330	\$63,584	\$993,027	\$4,481,941
Energy use Avoidance⁴ (gigajoules)	35,036	2,283	36,215	73,534
GHG emissions² Avoidance⁴ (tonnes¹)	2,523	164	2,577	5,264
Equivalent number of Canadian homes powered (annually)	330.8	21.6	342.0	694.4
Waste Avoidance⁴	2,266	0	3	2,269
Equivalent household waste from this many Canadian homes	3,542.5	0.0	5.2	3,547.7

In addition, Canadian Tire operates two low carbon energy generation installations that include solar PV and geothermal technologies, with many more currently under construction or under contract for completion during the next year. Year-to-date, these projects have generated over 196 GJ⁵ of energy, generated over \$875,000 in revenue, more than \$4,000 in cost avoidance⁴, and helped to avoid⁴ nine tonnes of greenhouse gas emissions² in the local economy.

Year-to-date, Canadian Tire also contributed \$12.3 million to community blue box and industry product stewardship and recycling programs.

For further details, refer to [Making a Difference](http://corp.canadiantire.ca/EN/MAD/Pages/default.aspx) at <http://corp.canadiantire.ca/EN/MAD/Pages/default.aspx>

ABOUT CANADIAN TIRE

Canadian Tire Corporation, Limited (TSX:CTC.a) (TSX:CTC) is one of Canada's most-shopped general retailers and the country's largest sporting goods retailer, with more than 1,700 retail and gasoline outlets from coast-to-coast. Our primary retail business categories - Automotive, Living, Fixing, Playing and Apparel - are supported and strengthened by our Financial Services division, which offers such products and services as credit cards, retail deposits, in-store financing, product warranties, and insurance. Nearly 68,000 people are employed across the Canadian Tire enterprise, which was founded in 1922 and remains one of Canada's most recognized and trusted brands.

³ As sustainability initiatives are part of an inherently dynamic process and as projects come to fruition, revisions to estimates are periodically made and the Performance Report is adjusted in accordance with the company's Business Sustainability Performance Report Corporate Directive.

⁴ Avoidance refers to savings in comparison to what it would have been if Canadian Tire had not made the improvements. These values express a 12 month forecasted result from the date of each project's completion. Values beyond the first 12 months are not reported.

⁵ Low carbon energy generation is measured in gigajoules (GJ). Where energy sources that don't typically report in kWh, such as the energy transfer conversion from ground source heat pumps (geothermal), they can be converted to give an equivalent kilowatt hour value and then GJ.

FOR MORE INFORMATION: Joscelyn Chernick-Smith, 416-480-8017, (m) 416-433-5922,
joscelyn.smith@cantire.com

CANADIAN TIRE CORPORATION - BUSINESS SUSTAINABILITY

QUARTERLY PERFORMANCE REPORT¹

As at Q3 2011

1. FORECASTED FUTURE ANNUAL BENEFITS FROM SUSTAINABILITY PROJECTS²

			Economic Impact	Environmental Impact		
		Number of projects competed	Cost (\$) Avoidance ³	Energy Use (GJ) Avoidance ³	GHG Emissions ⁴ Avoidance ³	Waste (tonnes) Avoidance ³
		YTD	YTD	YTD	YTD	YTD
PRODUCTS AND PACKAGING	CTR - Right Sizing	151	\$3,220,606	34,436	2,479	2,205
	CTR - Damage Reduction	26	\$204,724	601	43	61
	Sub-Total	177	\$3,425,330	35,036	2,523	2,266
PRODUCT TRANSPORT	Tractor Performance Enhancement	25	\$59,081	2,115	152	N/A
	Long Combination Vehicles (LCV)	1	\$4,503	168	12	N/A
	Sub-Total	26	\$63,584	2,283	164	0
BUILDINGS AND OPERATIONS	CTR - Net New Builds	3	\$23,187	2,454	142	N/A
	CTR - Replacement Builds	4	\$140,805	9,488	741	N/A
	CTR - CEM Retrofits	31	\$523,459	19,870	1,061	N/A
	CTR - HVAC Upgrades	36	\$10,353	773	40	N/A
	CTR - Roofing Retrofits	7	\$10,632	1,278	65	N/A
	CTR - In Store Decor Right Sizing	68	\$230,550	90	7	3
	Mark's - Lighting Retrofits	13	\$54,041	2,262	521	N/A
	Sub-Total	162	\$993,027	36,215	2,577	3
Total	365	\$4,481,942	73,534	5,264	2,269	

↑

↑

↑

Equivalent to adding sales from this many new stores	Equivalent number of Canadian homes powered for a year	Equivalent annual household waste from this many Canadian homes:
1.5	694.4	3,547.8

2.CORPORATE ACTUALS

2A. RECYCLING PROGRAMS

	YTD
Funds contributed to community blue box and industry product stewardship and recycling programs:	\$12,319,841

2B.LOW CARBON ENERGY GENERATION

	Installations completed Total-To-Date	Installations completed YTD	Economic Impact		Environmental Impact	
			Revenue generation YTD (\$)	Cost Avoidance ³ YTD (\$)	Energy generation YTD (GJ) ⁵	GHG emissions ⁴ Avoidance ³ YTD (CO ₂ -eq tonnes)
Solar PV - On Grid	0	0	\$875,112	\$0	0	0
Solar PV - Off Grid	1	0	\$0	\$438	19.7	0.9
Geothermal	1	0	\$0	\$3,909	175.9	7.9
Total Installations	2	0	\$875,112	\$4,347	196	9

¹ As sustainability initiatives are part of an inherently dynamic process and as projects come to fruition, revisions to estimates are periodically made and the Quarterly Performance Report is adjusted in accordance the Business Sustainability Performance Report Corporate Directive.

² These values express a 12 month forecasted result from the date of project completion.

³ Avoidance refers to savings in comparison to what it would have been if Canadian Tire had not made the improvements.

⁴ Greenhouse gas emissions (GHG) are measured as carbon dioxide equivalents (CO₂-eq). Greenhouse gasses such as methane (CH₄) and nitrous oxide (N₂O) are converted to their carbon dioxide equivalent based on their relative global warming potential (GWP).

⁵ Low carbon energy generation is measured in GJ. Where energy sources that do not typically report in kWh, such as the energy transfer conversion from ground source heat pumps (geothermal), they can be converted to give an equivalent kilowatt hour value and then GJ.

GLOSSARY OF TERMS

SUSTAINABILITY TERMS

Business Sustainability	The pursuit and achievement of economic benefits from enhanced social and environmental outcomes. This rings true with Canadian Tire's mandate as a for-profit corporation, our role in society, and the trust that Canadians have in our brand to do the "right thing".
Carbon Disclosure Project (CDP)	International initiative to accelerate solutions and enhance decision making related to climate change and water management. Increases visibility to investors related to corporate and policy initiatives. The aim is to set reduction targets and make performance improvements. Over 3,000 organizations in some 60 countries around the world now measure and disclose their greenhouse gas emissions, water management and climate change strategies through CDP. Canadian Tire participates in CDP.
CO ₂ -eq	Carbon dioxide equivalent - Expresses all greenhouse gasses 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.
Emission Factors	Calculation factor used from a specific geographical region to measure greenhouse gases (GHG) released from the production/use of raw material/energy.
Geothermal Energy	Energy transfer conversion resulting from ground source heat pumps.
Greenhouse Gas Emissions (GHG)	Represents one or a combination of the following gases: carbon dioxide (CO ₂), methane (CH ₄), nitrous oxide (N ₂ O), sulphur hexafluoride (SF ₆) hydrofluorocarbons (HFCs), and perfluorocarbons (PFCs).
GHG Protocol	The GHG Protocol Initiative is 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.
Global Warming Potential (GWP)	Calculation factor used to measure CO ₂ equivalents from different greenhouse gases. A relative measure of how much heat a greenhouse gas traps in the atmosphere.
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 in climate change and its potential environmental and socio-economic impacts.
Packaging Sustainability Network (PSN)	The Packaging Sustainability Network (PSN) was formed in 2009 to bring together a group of cross functional business members who collaborate internally and externally on packaging sustainability at Canadian Tire. Led by a VP sponsor, the PSN executes packaging sustainability focused initiatives to deliver measurable benefits such as forecasted cost avoidance, damage reduction and emissions reductions.
Solar Photovoltaic Energy	The generation of electricity using sunlight by converting solar radiation into direct current electricity
Sustainability Networks	Cross-SBU/functional innovation networks of stakeholders from across the value chain which goal is to incorporate accountability for sustainability into the existing roles within the business.
Transport GHG model	Created by Canadian Tire's Transportation team, the Transport GHG Emissions Model calculates tonnes of CO ₂ e produced based on direct emissions from our own fleet of trucks and indirect mobile emissions produced from transport of goods by third party carriers for all modes of transport (including water, rail, road and air). The methodology for the model follows a distance and weight approach for third party carriers and an actual fuel use approach for the internal fleet, and reflects guidelines created by the World Resources Institute (WRI), known as the Greenhouse Gas Protocol, and Environment Canada.
USA Environmental Protection Agency	An agency of the U.S. federal government in charge of protecting human health and the environment, by writing and enforcing regulations based on laws passed by Congress.
WBCSD	World Business Council for Sustainable Development - A CEO-led, global association of some 200 companies dealing exclusively with business and sustainable development, providing companies a platform to explore sustainable development, share knowledge, experiences and best practices.
WRI	World Resource Institute - A global environmental think tank that works with governments, companies, and civil society to build solutions to urgent environmental challenges.

OTHER TERMS

CTC	Canadian Tire Corporation Limited - The Parent Company
CTFS	Canadian Tire Financial Services Limited - A wholly owned subsidiary of CTC
CTP	Canadian Tire Petroleum - A strategic business unit within CTC
CTR	Canadian Tire Retail - A strategic business unit within CTC
CTREL	Canadian Tire Real Estate Limited - A wholly owned subsidiary of CTC
FGL Sports	Forzani - A subsidiary of CTC (one of Canada's leading retailers of sporting goods)
Marks	Mark's Work Wearhouse Ltd - A subsidiary of CTC (one of Canada's leading apparel retailers)

PS	PartSource - A strategic business unit within CTC (specialty automotive stores)
eKWh	Equivalent kilowatt hours - Expresses all energy sources as kilowatt hours of electricity consumed per hour by converted other types of energy such as natural gas, propane or geothermal energy.
GJ	Giga-joules - a unit of measurement for energy use.
Building functional area	The CTC building structural area includes ground coverage, mezzanine areas, other floors, and second level racking system for owned and leased retail stores, offices and distribution centres. Garden Centres are excluded. For Canadian Tire's petroleum stations this includes convenience kiosks, gas bar canopies, car washes, and Pit-Stops.

PERFORMANCE MEASUREMENT TERMS

1. STANDARD TERMS

METRICS	DEFINITIONS	DATA SOURCE	GAPS
Forecasted Future Annual Benefits from Sustainability Projects	12 months forecasted results calculated at the time of the project completion and to be realized in a future 12-month period. Benefits forecasted include both environmental and economic benefits: cost avoidance, revenue generation, energy use avoidance, GHG emissions avoidance and waste avoidance.	May include all Business Groups involved in the reporting of Sustainability initiatives, CTC Finance team, Business Sustainability and Third party consultant.	Sustainability projects within various operational areas currently not monitored by the Corporate Business Sustainability team. This includes projects within CTP, Part Source, CTFS, Marks and Forzani.
Costs avoided from sustainability projects	Forecasted future annual benefit as costs saved in comparison to 'what it would have been in the absence of the sustainability project' i.e. in comparison to the baseline 'before change' of the project. Reported in CAD.		
Energy use avoided from sustainability projects	Forecasted future annual benefit as energy saved in comparison to 'what it would have been in the absence of the sustainability project' i.e. in comparison to the baseline 'before change' of the project. Reported in gigajoules.		
GHG emissions avoided from sustainability projects	Forecasted future annual benefit as Greenhouse gas emissions saved in comparison to 'what it would have been in the absence of the sustainability project' i.e. in comparison to the baseline 'before change' of the project. Reported in metric tonnes of CO ₂ -eq.	GHG emissions sources: Environment Canada's National Inventory Report 1990-2008, EPA Climate Leaders Direct Emissions from Stationary and Mobile Combustion Sources May 2008, and IPCC's global warming potentials.	
Waste avoided from sustainability projects	Forecasted future annual benefit as waste saved in comparison to 'what it would have been in the absence of the sustainability projects' i.e. in comparison to the baseline 'before change' of the project. This includes but is not limited to waste from avoided from product and packaging. Reported in tonnes.	May include all Business Groups involved in the reporting of Sustainability initiatives, CTC Finance team, Business Sustainability and Third party consultant.	
Revenue generation from sustainability projects	Sales or service revenue related to a sustainability project. Reported in CAD.	CTC Finance team	
Equivalent annual retail POS sales	Calculates POS retail sales required to generate the same pre-tax earnings in comparison to the forecasted annual avoided cost resulting from sustainability projects.	CTC Finance team	

Equivalent annual new CTR stores	Calculates the equivalent number new CTR stores related to the equivalent POS retail sales required to generate the same pre-tax earnings in comparison to the forecasted annual avoided cost reductions resulting from sustainability projects.	CTC Finance team	
Equivalent to powering this many homes per year	Calculates the equivalent number of average Canadian homes powered for a year related to the forecasted annual avoided energy use resulting from sustainability project. Energy used by the average Canadian home includes natural gas, electricity, heating oil, propane and wood use.	Natural Resources Canada, "Survey of Household Energy Use", 2007. Average Canadian annual household energy consumption is calculated as 105.9 GJ.	
Equivalent annual household waste	Calculates the equivalent number of average annual Canadian household waste related to the forecasted annual avoided waste resulting from sustainability projects.	Statistics Canada, Waste Management Industry Survey: Business and Government Sectors 2008 (Statistics Canada, 2010). Page 10. Average Canadian annual household waste is calculated as 640kg.	
Sustainability Projects completed this period	Upgrades and process improvements are reported in the quarterly report once they are completed. 'Complete' is defined by the Commercial Operation date for Buildings and Product Transport and the Approval Date for Operations and Product projects. As sustainability initiatives are part of an inherently dynamic process, there will be cases where completed projects cannot be reported as data is not available. A project can only be reported in the same year of its complete date or the first quarter of the following year.	Business Group involved in the reporting of Sustainability initiatives, CTC Finance team, Business Sustainability.	

2. CURRENT SUSTAINABILITY PROJECTS

PROJECTS	DEFINITIONS	BUSINESS GROUPS INVOLVED
Product and Packaging Rightsizing	This sustainability project measures the reduction in size and/or weight of a product and/or a product's consumer package.	PSN Sourcing Services Group, Transportation Group CTC Business Sustainability
Product Damage Reduction	This sustainability project measures the impact of packaging and supply chain handling improvements on a product's damage rate (damage discovered in transport from vendor to store, as well as concealed damage discovered in-store and through customer returns). Reducing damage avoids disposal of damaged products and packaging and the procurement and transport of replacement product.	PSN Logistics Group, Transportation Group CTC Business Sustainability
Tractor Performance Enhancement	This sustainability project measures the reduction in energy use between fleet trucks with and without the performance enhancement.	Transportation Group CTC Business Sustainability
Long Combination Vehicles (LCV)	This sustainability project measures the reduction in energy use between the 'before' standard truck and the 'after' LCV truck. LCVs are two 53 foot trailers attached to a specialised equipped truck with a total vehicle length of 127 feet.	Transportation Group CTC Business Sustainability
Net New Builds	This sustainability project measures the reduction in energy use resulting from the construction of new buildings in place where there was no CT store before. The baseline comparison is the most recent prototype used prior to the current prototype.	Design & Construction Group CTC Business Sustainability

Replacement Builds	This sustainability project measures the reduction in energy use resulting from the replacement of CT stores. The baseline comparison is the 'Next Gen' store. 'Next Gen' and 'Traditional' stores (built in before or in 2001) are the stores that are usually replaced. They both have a similar average energy use (as per third party consultant report).	Design & Construction Group CTC Business Sustainability
Central Energy Management (CEM) Retrofits	This sustainability project measures the reduction in energy use resulting from the installation of central energy management (CEM). These systems automate and control energy needs in stores, including building temperatures, thermal comfort, and lighting adjustments, based on the schedule of the store. The system provides regular, on-going data about the store's energy consumption, and alerts managers to problems or inefficiencies in the mechanical systems.	Design & Construction Group CTC Business Sustainability
Energy Efficient HVAC Replacements	This sustainability project measures the reduction in energy use resulting from the installation of new energy efficient heating, ventilating and air conditioning (HVAC) units in stores.	Real Estate Services Group CTC Business Sustainability
Energy Efficient Roofing Replacements	This sustainability project measures the reduction in energy use resulting from the installation of higher R-value roofing on stores.	Real Estate Services Group CTC Business Sustainability
In Store Decor Right-Sizing	This sustainability project measures the reduction in size and/or weight of in store decor signage.	Store Design, Transportation Group. CTC Business Sustainability
Lighting Retrofit	This sustainability project measures the reduction in energy use resulting from the installation of energy efficient store lighting.	Store Design, CTC Business Sustainability

3. CURRENT CORPORATE ACTUALS

METRICS	DEFINITIONS	DATA SOURCE	GAPS	
Number of Sustainability Projects	Year-to-Date number of sustainability projects reported. Sustainability projects are sustainability upgrades and process improvements that create some environmental benefits and may create some economic benefit.	Business Group involved in the reporting of Sustainability initiatives, CTC Finance team, Business Sustainability.	Sustainability projects within various operational areas currently not monitored by the Corporate Business Sustainability team. This includes projects within CTP, Part Source, CTFS, Marks and Forzani.	
On-site low carbon energy generation	Low carbon energy generation from CTC on-site installations. May include solar PV, solar thermal, wind, geothermal, hydrogen or waste-derived energy generating installations. In order to be considered "low carbon", the GHG emissions associated with the energy generated have to be lower than traditional means of power generation.	CTREL		
On-site low carbon energy generation installations completed this period	CTC on-site installations of low carbon energy generation starting operation this year. These installations may be off-grid, where power generated is used on-site, or on-grid, where power generated is connected to the municipal power distribution network.	CTREL		
Cost avoided from low carbon energy generation	Year-to-date cost avoidance is reported when the energy generated is used on site. It corresponds to costs saved in comparison to 'what it would have been in the absence of the low carbon energy generation' i.e. the cost of traditional source of power for the corporation. Reported in CAD.	CTC Finance team		
Revenue Generated from low carbon energy generation	Year-to-date revenue generation is reported when the energy generated is connected to the municipal grid. Revenue may include electricity sales and gross service revenues. Reported as CAD.	CTC Finance team		
GHG Emissions avoided from low carbon energy generation	Year-to-date greenhouse gas emission avoided from CTC on-site installations of low carbon energy generation since the start of operation. This is calculated as the carbon intensity of the energy generated and used had it been from utility grid sources. Includes solar PV, solar thermal, wind, geothermal, hydrogen and/or waste-derived energy generating installations. Reported as CO ₂ -eq.	CTREL and Third Party Consultant		
Funds contributed to regulated recycling and blue box programs	Year-to-date product stewardship accrued payments for programs by CTC based on net POS sales or shipments. Selected retail products have regulatory obligations under blue box programs. Other programs include a variety of product types such as tires, batteries, oil, paint, fertilizers, and electronics. In Canada, this includes approximately 30 programs across all provinces. Reported as CAD.	CTC Finance team		CTC Independent stewardship programs (ISPs) and non CTC programs. Funds related to CTFS, Mark's, portions of both PartSource and CTP