



Canadian Tire Releases Quarterly Results From Business Sustainability Initiatives

March 17, 2011 – Canadian Tire Corporation, Limited (CTC, CTC.a) today released the results of its business sustainability strategy from 2010. Canadian Tire is one of the first Canadian companies to quantify and report on the business impact of its sustainability initiatives on a quarterly basis.

In fiscal 2010, Canadian Tire completed 389 initiatives, forecasted to annually avoid approximately \$6 million in costs, 610 tonnes of waste, and more than 7,800 tonnes of greenhouse gas emissions – equivalent to the energy use and emissions from powering 1,000 Canadian homes each year.

These initiatives focused on three key areas – products, product transport and buildings – and included reduced packaging, fuel efficiency enhancements to fleet vehicles, new energy efficient store lighting, heating and cooling systems, and central energy management.

In addition, Canadian Tire operates two low carbon energy generation installations that include solar PV and geothermal technologies. Since the start of operation in 2008 to the end of 2010, these installations have generated over 176,000 ekWh, which helped to avoid 41 tonnes of greenhouse gas emissions in the local economy.

Canadian Tire also contributed \$17.9 million to government-mandated community blue box and industry product stewardship and recycling programs in 2010.

With a focus on energy and climate, packaging and waste, and products and services, Canadian Tire's business sustainability strategy has three aspirations: to profitably grow the business without increasing the net carbon footprint of the economy; eliminate unnecessary packaging while sending zero waste to landfills; and provide innovative products and services that meet customers' needs without compromising the ability of future generations to meet their needs.

“Continuing innovation is key to developing new products, improving packaging and streamlining processes that generate environmental benefits, profit and shareholder value,” said Tyler Elm, Vice President of Business Sustainability. “This can be seen in the work we completed in 2010 across the enterprise. The continued integration of sustainability into our corporate culture will help us achieve our goals.”

Canadian Tire has further integrated sustainability into its day-to-day operations by including sustainability objectives into 2011 operating plans and having a committee of the Board of Directors oversee the Company's efforts.”

Progress made is reflected in the overall full-year results:¹

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As sustainability initiatives are part of an inherently dynamic process and as projects come to fruition, revisions to estimates are periodically made to provide the most accurate data available at the time.

	Products and Packaging	Product Transportation	Buildings and Operations	Total
Completed Initiatives	161	43	185	389
Energy Avoided (GJ)	22,417	5,962	78,019	106,398
GHG emissions Avoided (tonnes)	1,738	429	5,677	7,844
Equivalent number of Canadian homes powered (annually)	211.7	56.3	736.7	1004.7

For further details, refer to <http://CTSustainabilityinAction.ca>

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ABOUT CANADIAN TIRE

Canadian Tire Corporation, Limited (TSX: CTC.a, CTC) is one of Canada's most shopped general retailers with 485 Canadian Tire stores across the country. Our core retail and automotive operation is strengthened by PartSource, an automotive parts speciality chain; Canadian Tire Petroleum, one of the country's largest independent retailers of gasoline; Mark's, under the banner "Clothes That Work," a leading retailer of men's, women's and work apparel; and Canadian Tire Financial Services, which has issued approximately four million Canadian Tire MasterCard credit cards. Nearly 57,000 Canadians work across Canadian Tire's organization from coast-to-coast in the enterprise's retail, financial services and petroleum businesses.

FOR MORE INFORMATION:

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QUARTERLY PROGRESS UPDATE - YEAR TO DATE FOURTH QUARTER 2010

1. SUSTAINABILITY UPGRADES AND PROCESS IMPROVEMENTS

		Upgrades and process improvements competed this period.	FORECASTED ANNUAL BENEFITS			
			Avoided Cost (\$)	Avoided Energy Use (GJ)	Avoided GHG Emissions (CO ₂ -eq tonne):	Avoided Product & Packaging Waste (kg)
			YTD Q4	YTD Q4	YTD Q4	YTD Q4
PRODUCTS AND PACKAGING	Right Sizing	66	\$3,160,861	21,139	1,639	452,239
	Concealed Damages	34	\$88,749	185	14	14,256
	Damages Discovered in SC	61	\$388,080	1,093	85	144,237
	Sub-Total	161	\$3,637,690	22,417	1,738	610,732
PRODUCT TRANSPORT	Long Combination Vehicles	3	\$45,738	2,085	150	
	New Fuel Efficient CTR Trucks	30	\$70,301	3,205	231	
	Performance Pilot	10	\$14,730	672	48	
	Sub-Total	43	\$ 130,769	5,962	429	
BUILDINGS AND OPERATIONS	New Builds	22	\$200,623	4,754	504	
	CEM Retrofits	66	\$1,114,460	43,262	2,537	
	Lighting Retrofits	28	\$834,438	28,849	2,559	
	HVAC Upgrades	66	\$19,848	1,121	92	
	Roofing Retrofits	3	\$295	33	5	
	Sub-Total	185	\$2,169,664	78,019	5,677	
Total	389	\$5,938,123	106,398	7,844		

↑	↑	↑	↑
Equivalent to adding sales from this many new stores	Equivalent to powering this many homes per year:		Equivalent to household waste from this many homes per year:
2.0	1,004.7		584.4

2. RECYCLING PROGRAMS

	Full Year 2010
Funds contributed to community blue box and industry product stewardship and recycling programs:	\$17.9 million

3.LOW CARBON ENERGY GENERATION	Total-To-Date installations	Installations completed in 2010	Total-To-Date Energy generation (ekWh)	Total-To-Date Economic Value of Energy Generation	Total-to-Date Contribution to GHG avoided in the local economy (CO2-eq tonne)
Solar PV	1 (Installed 2008) *	0	14,019	\$1,122	4.314
Geothermal	1 (Installed 2008)	0	162,247	\$12,234	36.345
Total Installations:	2	0	176,266	\$13,355	41

* Includes 24 solar panels

GLOSSARY AND DEFINITIONS

METRIC	DEFINITIONS AND OPERATIONAL BOUNDRIES	DATA SOURCE	GAPS	
QUARTERLY PROGRESS REPORT				
Projects - Upgrades and Process Improvements	Project - Right Sizing	This project measures the reduction in size and/or weight of a product's consumer package. Avoided cost, energy, GHG emissions and waste is established by calculating the savings between the 'before' and 'after' in product packaging cost and weight as well as increased transport cube efficiency (reduced weight of shipping and/or increased number of products that can be shipped in one container) is established for each product. This is multiplied by the number of consumer product units sold, assuming flat sales to previous year.	Projects undertaken by Sustainability Networks within the business that are monitored and validated by the Corporate Business Sustainability team.	Sustainability projects within various operational areas currently not monitored by the Corporate Business Sustainability team. This includes projects within CTP, Part Source, CTFS and Marks.
	Project - Concealed Damages	This project measures the reduction in product damage, discovered at the store or by customer returns, through improved packaging re-design. Reducing damage avoids disposal of damaged products and packaging and the procurement and transport of replacement products. Avoided cost, energy, GHG emissions and waste is established by assuming a 40% reduction in each product's concealed damage rate as a result of changes made. This is multiplied by the number of consumer product units sold, assuming flat sales to previous year.		
	Project - Damages Discovered in Supply Chain	This project measures the reduction in product damage, discovered in transport from vendor to store, through improved packaging or supply chain handling. Reducing damage avoids disposal of damaged products and packaging and the procurement and transport of replacement product. Avoided cost, energy, GHG emissions and waste is established by assuming a 25% reduction in each product's supply chain damage rate and a 10% reduction in each product's concealed damage rate as a result of changes made. This is multiplied by the number of consumer product units sold, assuming flat sales to previous year.		
	Project - Long Combination Vehicles (LVC)	LCVs are two 53 foot trailers attached to a specialised equipped truck with a total vehicle length of 127 feet. This project measures the reduction in energy use for product transport. Avoided cost, energy and GHG emissions established by calculating the savings between the 'before' standard truck and the 'after' LCV truck.		
	Project - New Fuel Efficient CTR Fleet Trucks	This project measures the reduction in energy use between old fleet trucks and the new energy efficient fleet trucks used for product transport. Avoided cost, energy and GHG emissions established by calculating the savings between the 'before' standard truck and the 'after' new fuel efficient trucks.		

Project - Performance Pilot for CTR Fleet Trucks	This project measures the reduction in energy use between fleet trucks with and without the performance enhancement. Avoided cost, energy and GHG emissions established by calculating the savings between the 'before' and 'after' applied. Based on CTC fleet road and third party dynamoter testing and verified to the ISO 14064 standard.
Project - New Builds	This project focuses on the construction of new stores and measures the reduction in energy use as compared to existing stores. Avoided cost, energy, and GHG emissions is calculated as the sum total sq metres of the new builds x (estimated per sq metre annual difference for a mid size prototype store between a baseline - the 20/20 design and the new builds - GPS smart store design).
Project - CEM Retrofits	The reduction in energy use resulting from the installation of central energy management at CTR stores. 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. Avoided cost, energy, and GHG emissions established through modelling calculations provided by a third party engineering consultant.
Project - Lighting Retrofits	The reduction in energy use resulting from the installation of energy efficient store lighting at CTR stores. Avoided cost, energy, and GHG emissions established through modelling calculations provided by a third party engineering consultant.
Project - HVAC Upgrades	The reduction in energy use resulting from the installation of new energy efficient HVAC units in stores. Avoided cost, energy, and GHG emissions established through modelling calculations provided by a third party engineering consultant.
Project - Roofing Retrofits	The reduction in energy use resulting from the installation of higher R-value roofing on stores. Avoided cost, energy, and GHG emissions established through modelling calculations provided by a third party engineering consultant.

Projects - Tracking Implementation and Forecasted Benefits

Upgrades and process improvements completed this period	Includes the sum total of sustainability upgrade and process improvement projects completed this period, including changes to products and packaging, product transport and buildings. 'Complete' is defined by the commercial operation date for buildings and transport, and by product ship-to-store dates finalised for product and packaging.	Projects tracked through the Buildings, Transport and Packaging Networks
Forecasted annual avoided cost (\$)	Avoided cost from sustainability upgrades and process improvement projects completed in this period.	CTR Transport (shipping costs and volumes), CTR Merch (vendors costs), CTREL (utility costs)
Forecasted annual avoided cost -as equivalent to annual retail POS sales	Calculates CTR and PartSource POS retail sales required to generate the same pre-tax earnings in comparison to the above forecasted annual cost reductions resulting from CTC's sustainability upgrades and process improvements.	Defined by CTC Finance
Forecasted annual avoided cost -as equivalent to new stores	Calculates the number of new stores required to generate the POS retail sales equivalent to the above forecasted annual cost reductions resulting from CTC's sustainability upgrades and process improvements.	Average retail sales per store estimated at \$15.5 million as defined by CTC Finance
Forecasted annual avoided energy use (GJ)	Avoided energy use from sustainability upgrades and process improvement projects completed in this period.	CTR Transport's GHG model and CTREL's/3rd Party consultants GHG data for prototype stores and retrofit projects
Forecasted annual avoided energy use and GHG emissions - as equivalent to powering this many homes per year	Calculates the energy use required to power Canadian homes in relation to the forecasted annual avoided energy use resulting from CTC's sustainability upgrades and process improvement projects.	Energy consumption per Canadian household was 105.9 gigajoules in 2007 according to Natural Resources Canada.
Forecasted annual avoided GHG emissions (CO ₂ -eel tonnes)	Avoided greenhouse gas emissions from sustainability upgrades and process improvement projects completed in this period.	GHG emissions sources: Environment Canada's National Inventory Report 1990-2008 GHG sources, EPA Climate Leaders Direct Emissions from Stationary and Mobile Combustion Sources May 2008, and IPCC's global warming potentials.
Forecasted annual avoided product and packaging waste (kg)	Avoided product and packaging waste from sustainability upgrades and process improvement projects completed in this period. This is limited to the product and packaging projects.	

	Forecasted annual avoided product and packaging waste - as equivalent to annual average household waste	Calculates the waste equivalent of annual average household waste in relation to the forecasted annual avoided product and packaging waste resulting from CTC's sustainability upgrades and process improvement projects.	Average Canadian annual household waste is calculated as 1045kg. Calculated by average household has 2.5 people, average annual Canadian household waste per person is 418kg. Statistics Canada 2004	
	Installations completed this period	CTC on-site installations of low carbon energy generation starting operation this year, year-to-date (YTD). May include solar PV, solar thermal, wind, geothermal, hydrogen or waste-derived energy generating installations.	Canadian Tire's Real Estate program	
	Total-to-date installations	CTC on-site installations of low carbon energy generation to date since the start of operation (first installations in operation since 2008). May include solar PV, solar thermal, wind, geothermal, hydrogen or waste-derived energy generating installations.		
	Total-To-date energy generation (ekWh)	Low carbon energy generation to date of CTC on-site installations since the start of operation. May include solar PV, solar thermal, wind, geothermal, hydrogen or waste-derived energy generating installations. Energy generation used on site and/or sent to local power authority distribution for use in the local community.		
	Total-to-date economic value of energy generation (\$)	Economic value of low carbon energy generation to date of CTC on-site installations since the start of operation. May include solar PV, solar thermal, wind, geothermal, hydrogen or waste-derived energy generating installations. Economic value includes utility bill savings (for on-site energy use) and revenue generation from roof leasing and service fees (for energy under contract with local power authority distribution).	Utility cost savings for on-site use calculated at \$0.08/kWh. No revenue activities as there were no power authority contracts in 2010.	
	Total-to-date contribution to GHG emissions avoided in the local economy (CO ₂ -eq tonne)	Greenhouse gas emission avoided from CTC on-site installations of low carbon energy generation to date 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.	GHG emissions sources: Environment Canada's National Inventory Report 1990-2008 GHG sources and IPCC's global warming potentials.	
Recycling	Funds contributed to community blue box and industry product stewardship and recycling programs (\$)	Product stewardship fees paid in 2010 for programs by CTC for CTR and PartSource retail products based on POS sales and shipments. All 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.	CTC Finance and Product Stewardship group.	CTC independent stewardship programs (ISPs). Funds related to CTFs, Marks, CTP and non-CTC programs

GLOSSARY OF TERMS

Avoided (cost, energy use, waste, GHG emissions)	Reductions or savings in comparison to what it would have been if CTC had not made the improvements.
Building functional area	Functional area includes retail, service center, offices, warehouse areas (excludes MWW and garden center)
CO ₂ -eq	Expressing all greenhouse gasses as carbon dioxide by adjusting other greenhouse gases - methane (CH ₄), nitrous oxide (N ₂ O), sulphur hexafluoride (SF ₆) hydrofluorocarbons (HFCs), and perfluorocarbons (PFCs) to their carbon dioxide equivalent (CO ₂ -eq) based on their relative Global Warming Potential (GWP).
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
EPA	USA Environmental Protection Agency
GHG	Greenhouse 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.
GJ	Giga-joules - a unit of measurement for energy use.
GWP	Global Warming Potential
IPCC	Intergovernmental Panel on Climate Change
Low Carbon Energy Generation	Sources of power that produce lower levels of greenhouse gases than traditional means of power generation. (Including solar photovoltaic and geothermal)
Solar Photovoltaic Energy	The generation of electricity using sunlight by converting solar radiation into direct current electricity

Geothermal Energy	The generation of electricity using heat energy stored in the earth
Marks	Mark's Work Wearhouse Ltd - A subsidiary of CTC
PS	PartSource - A strategic business unit within CTC
WBCSD/WRI	World Business Council for Sustainable Development and the World Resources Institute
YTD	Year to Date

