



CANADIAN TIRE

**Canadian Tire Corporation, Limited
Supplier Code of Business Conduct
June 20, 2008**



Canadian Tire Financial Services, Limited and Mark's Work Wearhouse, Limited are wholly owned subsidiaries of Canadian Tire Corporation, Limited.



PartSource and Canadian Tire Petroleum are divisions of Canadian Tire Corporation, Limited.

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A. INTRODUCTION

Canadian Tire has a long-standing reputation for integrity and trustworthiness among its stakeholders. The Company's reputation depends upon the way in which it conducts its business and its commitment to corporate social responsibility. As one of Canada's most trusted companies, Canadian Tire's actions must be above reproach to maintain the confidence of its stakeholders and to avoid damage to its reputation.

Commitment to ethical business practices, a key part of operating with honesty, integrity and respect, is a core value for Canadian Tire. This Supplier Code of Business Conduct is designed to ensure that suppliers have a clear understanding of how Canadian Tire expects to conduct its business with suppliers.

The Company expects full compliance with all principles and processes related to this Supplier Code of Business Conduct. All suppliers to Canadian Tire must carefully review the commitments in this Code and agree to abide by the commitments as a condition of doing business with the Company.

B. APPLICATION

This Code applies to the Company's suppliers – and their sub-suppliers – including suppliers to the Company's divisions and subsidiaries. Suppliers are defined as those businesses that sell goods and/or services to the Company.

Employees who engage either merchandise or non-merchandise suppliers (e.g. services) are responsible for ensuring that suppliers review, sign and commit to comply with the Company's Code of Business Conduct for Suppliers.

C. CANADIAN TIRE PRINCIPLES OF BUSINESS CONDUCT

Canadian Tire employees – and this Code of Conduct – are guided by the following principles of ethical business practice:

- comply with applicable laws, regulations, Company policies and procedures;
- respect the lives, rights, privacy and property of others;
- avoid conflicts of interest in decisions that we determine or influence;
- conduct duties and business relationships in an honest, fair and responsible manner;
- sustain a culture in which ethical conduct is valued and recognized;
- maintain safe, healthy and secure work environments;
- use resources, material and energy as efficiently and responsibly as possible in the provision of products and services;
- sustain responsible trading practices with all suppliers to promote decent, legal and humane working conditions;

- foster a business environment that encourages open communication and seeks out, listens and responds to the ideas and concerns of stakeholders;
- provide timely, full and true disclosure of material information, both financial and non-financial, concerning the business and affairs of the Company to the public when and as required through authorized channels and/or spokespersons according to the Company's disclosure policy; and
- manage compliance with the Supplier Code of Business Conduct as any other critical business activity.

Conflict of Interest

Canadian Tire employees and directors owe primary loyalty to the Company. A conflict of interest arises when an employee or director has a personal or financial interest in a proposed Company action, even if the action is in the best interests of the Company. Employees are not permitted to participate in decisions where they have a conflict of interest. The conflict of interest provisions in the Ontario Business Corporations Act govern directors and officers.

Employees and directors must not ignore Company procedures or use their position for the benefit of those seeking to do business with the company or for their own personal interests or the interests of family, friends and colleagues.

D. EXPECTATIONS OF SUPPLIERS

This section sets out the Company's specific expectations regarding the workplace standards and business practices of its suppliers. These expectations are consistent with the Company's values, principles and policies regarding ethical business conduct.

The Company will seek to identify and engage suppliers who conduct their business based on a set of ethical standards compatible with its own. The Company will favour suppliers who share its commitment to contribute to improving conditions in communities where they operate. The Company will not knowingly do business with suppliers who do not meet the standards outlined in this Code.

Compliance with Laws

Suppliers will comply with the laws and regulations, whether domestic or foreign, which govern the conduct of their businesses.

Employment Standards

Suppliers will employ employees who are, in all cases; present voluntarily, not put at risk of physical harm due to their work environment, fairly compensated and allowed the lawful right of free association.

Wages and Benefits

Suppliers will, at a minimum, provide wages and benefits that comply with the laws of their country of operation.

Working Hours

Suppliers will not exceed prevailing local work hours except where workers are appropriately compensated for overtime. The Company will favour business partners who use less than sixty-hour work weeks and allow employees at least one day off in seven days, or equivalent leave privileges.

Child Labour

Suppliers will not employ child labour in any of their facilities. Employees of suppliers can be no younger than the age at which compulsory schooling has ended (with the exception of legal student employment), but in no case younger than 14¹ years of age.

Forced or Slave Labour

Suppliers will not use forced or slave labour.

Discrimination/Human Rights

Suppliers must not discriminate against their employees in hiring practices or any other term or condition of work (*other than legitimate occupational requirements allowed by law*) on the basis of race, ancestry, place of origin, colour, ethnic origin, citizenship, religion, faith, political opinion, sex, sexual orientation, age, marital status, same-sex partnership status, family status or disability.

Disciplinary Practices

Suppliers will not use corporal punishment or other forms of mental or physical coercion.

¹ As set by the International Labour Organization and adopted by Retail Council of Canada in their *Responsible Trading Guidelines*.

Workplace Environment

Suppliers will provide workers with a safe and healthy working environment consistent with all applicable laws and regulations.

Environmental Protection

Suppliers will comply with all applicable environmental laws and regulations in their country and laws that govern the importation and sale of products in Canada. Suppliers are encouraged to meet the intent of Canadian Tire's *Environment, Health and Safety Policy*, which is available on request or through the Company's web-site at www.canadiantire.ca.

Confidentiality and Privacy

Suppliers will not disclose to others or use for their own purposes or the purposes of others any trade secrets, confidential information, knowledge, designs, data, skill, or any other information which the Company identifies to the supplier as confidential.

Canadian Tire's Legal department must approve all confidentiality agreements that are required by suppliers.

In accordance with the intent of the Company's *Privacy Policy*, suppliers will respect the privacy of personal information they collect, use or disclose as a consequence of their business relationship with the Company.

Unlawful Payments

Suppliers will not offer or accept unlawful payments.

Dealing with the Company's Employees

Canadian Tire expects its employees to treat all suppliers – or those seeking to do business with the company – with honesty, integrity and respect. In conducting business on behalf of Canadian Tire, employees are bound by a Code of Business Conduct. Suppliers are reminded that Canadian Tire employees owe exclusive business loyalty to the Company. Employees must never be put in a position where personal or financial incentives or interests may impair their judgement and ability to make decisions in the best interest of the Company.

It is never acceptable for any employee to pay or accept any bribe, kickback or other unlawful payment or benefit to secure any concession, contract or other favourable treatment.

The Company expects its suppliers to respect our employees who are duty-bound to comply with Canadian Tire's Code of Business Conduct guidelines regarding gifts, entertainment and travel. The Company does not believe that its business goals are best advanced in an environment of entertainment and, thus, employees are discouraged from accepting invitations to participate in sporting or cultural events.

Canadian Tire does, however, encourage its employees and suppliers to come together in support of charitable events and programs where there is mutual interest.

Offering ground transportation is acceptable and Canadian Tire employees may accept use of a supplier's aircraft if it proves time efficient or protects the health and safety of Canadian Tire employees. Token gifts of nominal value (under \$100) and entertainment in the form of meals is also acceptable.

Sub-suppliers

Suppliers will certify that their sub-suppliers of materials or finished goods used in the manufacture of finished goods for the Company comply with a set of ethical standards compatible with this Supplier Code of Business Conduct. Proof of certification must be presented upon request.

Products and Services

Suppliers will supply only products and/or services that comply with the Company's specifications and comply with all applicable Canadian legal requirements. Suppliers will supply only products and/or services that, when used as intended, are safe for employees, consumers, and the environment. Suppliers will cooperate fully with the Company and take appropriate steps, including notification of the Company's customers and public product recalls, to address any health, safety, environmental or regulatory issues associated with their products and/or services.

E. CANADIAN TIRE POLICIES

The Company has adopted policies dealing with, among other things, disclosure and insider trading. In this respect, suppliers may from time to time obtain confidential undisclosed information about the Company, the public disclosure of which could have an effect on the value or price of the Company's publicly traded debt and equity securities. Suppliers are not permitted to disclose to any person any such information about the Company. In addition, securities laws in most jurisdictions prohibit any person in possession of any such undisclosed information from trading in securities of the Company until such information has been publicly disseminated.

F. SUPPLIER CERTIFICATION

All suppliers will certify that they have read this Supplier Code of Business Conduct and will agree to abide by it. Suppliers will either complete the attached form or sign a contract with the Company, which incorporates the Supplier Code of Business Conduct.

Canadian Tire will determine the frequency of certification.

G. SUPPLIER ASSESSMENT AND MONITORING

The Company reserves the right to assess and monitor on an ongoing basis a supplier's practices regarding this Code.

The Company or a third party designated by the Company may periodically conduct on-site assessments of selected supplier facilities that produce finished goods for the Company. The Company may also periodically conduct on-site assessments of selected sub-supplier facilities that produce materials or finished goods for the Company. Assessments may include a review of relevant supplier records as well as inspection of the facility for compliance with this Code.

The Company will determine the frequency and extent of the assessments and ongoing monitoring. Consistent with standard industry practice, all costs associated with the assessments and ongoing monitoring will be borne solely by the supplier.

Suppliers will allow the Company and/or any of its representatives reasonable and timely access to its facilities and to its relevant records at all times.

H. ENFORCEMENT OF SUPPLIER COMPLIANCE WITH THE CODE

Suppliers who do not meet the requirements of this Code will be provided with the opportunity to bring their business up to the Company standards in a reasonable time frame. The Company reserves the right to terminate its business relationship with any supplier who fails to do so, or refuses to comply with the Supplier Code of Business Conduct.

I. REPORTING AND ADDRESSING CODE VIOLATIONS

Any person who believes that a violation of the Company's Supplier Code of Business Conduct has occurred, is asked to report the relevant information in confidence to:

Canadian Tire Corporation, Limited
2180 Yonge Street
Toronto, Ontario
M4P 2V8
Attention: Business Conduct Compliance Office
Tel 416-480-8202
Fax 416-440-7361
Email BCCO@cantire.com

Or

PartSource
336 Courtland Ave.
Vaughan, Ontario
L4K 4Y1
Attention: Stuart Auld, President, PartSource
Tel 905-760-6667
Fax 905-760-6688
Email stuart.auld@partsource.ca

Or

Mark's Work Wearhouse Ltd.

#30, 1035 64th Ave. S.E.

Calgary, Alberta

T2H 2J7

Attention: Robin Lynas, Social Compliance Officer

Tel 403-692-7525

Fax 403-692-7566

Email robin.lynas@marks.com

Or

Canadian Tire Financial Services, Limited

555 Prince Charles Drive

Box 2000

Welland, Ontario

L3C 6B5

Attention: William Zeyl, Associate Vice-President, Legal Counsel

Tel 1-800-464-9166 ext. 6786

Fax 905-331-0856

Email william.zeyl@ctfs.com

Or

Canadian Tire Petroleum

2180 Yonge Street

Toronto, Ontario

M4P 2V8

Attention: Scott Dowding, Associate Vice-President, Petroleum Finance

Tel 416-544-7664

Fax 416-480-3510

Email scott.dowding@cantire.com

Canadian Tire Business Conduct Hotline

From Canada and the USA, call toll free 1-800-620-6943

Canadian Tire Business Conduct Web Reporting

<https://www.integrity-helpline.com/canadiantire.jsp>

The Company will make every effort to investigate all reported violations in a discreet, fair and confidential manner and will take appropriate action to maintain the integrity of its business.

J. QUESTIONS

Suppliers should direct any questions they may have regarding the Supplier Code of Business Conduct to the Company employee with whom they normally deal or to the Business Conduct Office, Hotline or Web Reporting.

K. SUPPLIER CERTIFICATION FORM

**Canadian Tire Corporation, Limited Supplier Code of Business
Conduct**

I acknowledge that I have received a copy of Canadian Tire's Supplier Code of Business Conduct, dated June 20, 2008, that I have read and understood the contents, and that my company agrees to abide by this Code.

To the best of my knowledge, my company is in compliance with the Supplier Code of Business Conduct.

I have the authority to bind the company named below.

Name: _____

Position Title: _____

Company: _____

Signature: _____

Dated this _____ day of _____, in the year _____.