



**Canadian Tire Corporation launches “True North” transformative growth strategy.  
Newly designed leadership team and operating model will accelerate  
customer focus, agility and scale**

**Toronto, ON – March 6, 2025** – Canadian Tire Corporation, Limited (TSX:CTC, TSX:CTC.A, CTC or the Company) today announced a new four-year transformative growth strategy, *True North*, focused on data-driven customer relationships, core retail growth, an expanded Triangle Rewards loyalty system, and focused capital allocation. It is designed to increase value for customers and generate leading shareholder value above the Company’s historic levels. The strategy will be delivered by a newly designed senior leadership team, and CTC will reorganize from a complex holding company model into a more agile operating company, aggregated to compete and differentiated through its collective customer insights.

“We are an iconic Canadian retailer primed for stronger customer connections and leading shareholder returns,” said Greg Hicks, President and CEO, Canadian Tire Corporation. “In a new era of retail and hyper-scale global competition, we will operate more efficiently and go to market more strategically, harnessing our banners and loyalty system to elevate our scale. Our transformation starts from the strengths that set us apart: we have the highest customer trust, market-leading data, and the vision to know, reward and serve Canadians best.”

*True North* represents CTC’s next strategic horizon, marking the end of *Better Connected* which established a springboard for higher performance. The Company concluded 2024 with strong earnings, an improved balance sheet, and increased customer loyalty.

***True North* initiatives designed to accelerate retail growth and loyalty expansion**

*True North* entails dozens of strategic initiatives designed to accelerate retail growth and deliver improved financial performance. This includes investments in omnichannel network expansion and new data analytics that will be a catalyst for growing market share and expanding CTC’s total addressable market.

The Company will accelerate the Triangle Rewards loyalty system through its privileged first-party data, enabled by technology and AI. The loyalty system will expand with more personalized member value, additional brand partners that issue Canadian Tire Money beyond CTC stores, and a new retail-focused bank strategy to acquire and engage more Triangle Mastercard holders.

An expanded loyalty system will fortify CTC’s connections to its best customers and more systematically inspire members to shop at more of its stores and more often. *True North* initiatives are designed to increase Triangle Rewards loyalty membership and loyalty sales across banners.

## **New operating model designed for agility and scale**

To execute *True North*, CTC will reorganize, converting from a holding company model of individual businesses focused on products to an operating company universally focused on customers. This new operating model aggregates CTC's multiple banners, systems, and data, resulting in a density of customer insights and competitive scale that no single banner could achieve alone.

The Company will continue to strengthen the customer-facing value propositions of each individual banner brand, but will work to eliminate siloed, redundant and costly back-office processes and systems. The new operating model is designed for greater agility and speed, with common enterprise-wide capabilities and platforms built and deployed once – such as the Company's recent conversion of all major banner websites onto a single digital platform. A more-unified CTC will continue its technology and AI implementations, reinventing ways of working to improve the speed of analytics, decisions, information and workflows company-wide. This will result in both increased efficiency and more strategic customer engagement across the banners.

## **Strengthened leadership focused on customers, retail execution, and value creation**

*True North* will be delivered by a newly designed senior leadership group of existing and added executive talent, with new roles announced today to reflect three priorities: Disciplined management of several significant multi-year transformation initiatives and related value-creating capital allocation will be governed by a new transformation office led by a new Chief Transformation Officer; Core retail business execution and growth will be led by a new Chief Operating Officer within a unified operating model for all banners, including Canadian Tire, SportChek, and Mark's; Customer-focused retail, product, marketing and loyalty strategies will be centralized and led by a new Chief Commercial Officer. Various corporate teams within CTC will be reorganized to reflect this structure and the underlying priorities.

- Susan O'Brien is appointed **EVP & Chief Transformation Officer**. A 17-year company veteran, she was most recently EVP & Chief Brand and Customer Officer. Her past leadership of Triangle Rewards and experience building new customer capabilities will ensure transformation initiatives stay true to customer-centricity.
- TJ Flood is appointed **EVP & Chief Operating Officer**, leading CTC's newly centralized banners, including Canadian Tire, Mark's and SportChek. A 20-year company veteran, he was most recently EVP & President, Canadian Tire Retail and previously President, SportChek. This experience will enable the shift to centralized processes and cross-banner efficiencies.
- Following a comprehensive search, the Company will soon appoint an **EVP & Chief Commercial Officer** responsible for growing Triangle Rewards, customer insights and core retail processes that enable horizontal, data-driven strategies for great customer experiences.
- Darren Myers, CTC's new **EVP & Chief Financial Officer**, joins April 1 as announced [here](#). He is a three-time CFO at Canadian companies, previously responsible for large-scale transformations in retail and other sectors.
- CTC's executive leadership team is otherwise detailed [here](#).

"This team has the experience and mandate to deliver transformational initiatives and results," said Hicks. "As we knock down unnecessary legacy siloes and systems, we are combining the best of our business and all of our customer knowledge to rally around a unified strategy to help make life in Canada better. Together, our combined scale and our insights will set us apart from competitors big and small."

## **Enhanced capital allocation and streamlined operating model**

With a simplified focus and structure dedicated to retail growth and shareholder value, CTC's leadership will enhance capital allocation through prioritizing the highest-returning investments and assets. This is evident in the Company's recent portfolio moves: The decision to retain full ownership of Canadian Tire Financial Services with a strategy to maximize its retail-driving capabilities; unlocking shareholder value with the February 19, 2025, announcement of the agreement to sell global performance brand Helly Hansen; and the monetization of redundant real estate assets.

Today, CTC also announces that, as part of *True North*, it is optimizing its SportChek portfolio, with new-concept stores and a revised go-to-market strategy for its Atmosphere business. The Company will close 17 uncompetitive standalone Atmosphere stores, with 14 sites to be co-located within SportChek stores.

Going forward, and assuming the completion of the sale of Helly Hansen, CTC will extend its balanced approach to capital allocation, including the following:

- It will prioritize investments to transform its core Canadian retail business, while maintaining flexibility to address market uncertainty. In this context, CTC expects total operating capital expenditures in 2025 to be towards the upper end of its previously disclosed range of \$525 million to \$575 million. This will include capital investments in omnichannel customer experience, like the continued modernization of Canadian Tire stores. The Company also plans increased investments in Mark's, to capitalize on its record of accretive returns and emerging market-share opportunities in the casual apparel sector.
- It will return up to \$400 million to shareholders through share repurchases in 2025, doubling its previously disclosed 2025 intention of up to \$200 million.
- It will use \$200 million of proceeds to reduce debt, re-paying medium-term notes ahead of their 2026 maturity.

## **CTC expects to invest more than \$2 billion over four years starting in 2025; expense savings begin in 2025 with \$100 million run rate expected to start in 2026**

"Our strategy, structure and initiatives begin in 2025, and improved value creation is expected in the years ahead," said Hicks. "We look forward to detailing our early progress and longer-term returns with greater precision as they begin to take shape. In the meantime, we have begun to put capital behind our conviction and expect to invest more than \$2 billion over the next four years, driving the prosperity of our company and, by extension, our country."

The Company expects increased transformation and advisory costs in relation to its four-year strategy, including the following:

- Operating expenses will increase by \$60 million in 2025, primarily for IT investments to enable transformation initiatives.
- One-time charges of approximately \$85 million in transformation and restructuring costs, including severance, as well as closure costs for Atmosphere stores. These costs will be recorded and normalized in the first half of 2025. They are expected to deliver annualized operating expense savings of \$100 million starting in 2026.

The Company's management team intends to provide updates on its *True North* activities throughout 2025, beginning when it reports its first-quarter results on May 8, 2025.

## **FORWARD-LOOKING INFORMATION**

This press release contains information that may constitute forward-looking information within the meaning of applicable securities laws, which reflect management's current expectations regarding future events and the Company's transformation strategy. All statements other than statements of historical facts contained in this press release may constitute forward-looking information, including but not limited to, information with respect to: the impacts of the Company's transformative growth strategy, including with respect to increased shareholder value and returns, stronger customer connections, accelerated retail growth, improved financial performance, growth in market share, expanded total addressable market, and increased Triangle Rewards loyalty membership, partners and loyalty sales; the proposed sale of Helly Hansen; plans with respect to the use of proceeds from the proposed Helly Hansen sale, including additional investments to prioritize its core Canadian retail business, the increased 2025 share repurchase intention and debt repayment intention; planned Atmosphere store closures and co-located Atmosphere sites within SportChek stores; planned investments in connection with the Company's transformative growth strategy, including 2025 and four year operating capital expenditures as well as the anticipated areas of investment; the expected increase to 2025 operating expenditures; the planned one-time charge for transformation and restructuring costs; and the expected savings beginning in 2025 and expected annualized operating expense savings starting in 2026. Readers are cautioned that such information may not be appropriate for other purposes. Often, but not always, forward-looking information can be identified by the use of forward-looking terminology such as "may", "will", "expect", "intend", "believe", "estimate", "plan", "can", "could", "should", "would", "outlook", "target", "forecast", "anticipate", "aspire", "foresee", "continue", "ongoing" or the negative of these terms or variations of them or similar terminology. Although the Company believes that the forward-looking information in this press release is based on information, estimates and assumptions that are reasonable, such information is necessarily subject to a number of risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied in such forward-looking information.

Some of CTC's business and operational risks include risks with respect to strategic agility, franchise operations, brand and reputation, geopolitical conditions (including tariffs), talent, macroeconomic conditions, technology infrastructure, emerging and disruptive technology, cyber security, data and privacy, third parties, supply chain, responsible sourcing, loyalty program, competitive environment, customer trends, seasonality, legal, climate change, ESG and business disruptions. Some of CTC's financial risks include risks with respect to credit, liquidity, market, commodity price, and insurance.

For more information on the material risks, uncertainties, factors and assumptions that could cause the Company's actual results to differ materially from the forward-looking information, refer to section 14.0 (Forward-Looking Information and Other Investor Communication) of the Company's 2024 Fourth Quarter and Full-Year Management's Discussion and Analysis and all subsections therein, available on the SEDAR+ website at <http://www.sedarplus.ca> and <https://investors.canadiantire.ca>. The Company does not undertake to update any forward-looking information, whether written or oral, except as is required by applicable laws.

## **ABOUT CANADIAN TIRE CORPORATION**

Canadian Tire Corporation, Limited (TSX: CTC.A, TSX: CTC, "CTC") has been a proudly Canadian business since 1922. Guided by its brand purpose, "We are here to make life in Canada better," CTC has built an expansive national retail presence, exceptional customer brand trust and one of Canada's strongest workforces – employing, along with its local Dealers and franchisees, tens of thousands of Canadians. At its core are retail businesses, each designed to serve life's pursuits: Canadian Tire, offering products spanning Living, Playing, Fixing, Automotive, and Seasonal & Gardening, bolstered by notable banners Party City and PartSource; Mark's, a leading source for casual and industrial wear; SportChek, Hockey Experts, Sports Experts and Atmosphere, offering the best brands of active wear and gear; and Pro Hockey Life, a hockey specialty store catering to elite players. CTC's banners, brand partners and credit card offerings are unified through its Triangle Rewards loyalty program – a linchpin of CTC's customer-driven strategy. With nearly 12 million members, Triangle integrates first-party data to deliver valuable rewards and personalized experiences across nearly 1,700 retail and gasoline outlets. CTC also operates a retail petroleum business and a Financial Services business and holds a majority interest in CT REIT, a TSX-listed Canadian real estate investment trust. For more information, visit [Corp.CanadianTire.ca](http://Corp.CanadianTire.ca).

## **FOR MORE INFORMATION**

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