

SERVING CANADIANS WITH PURPOSE

DOLLARAMA



PROVIDING AFFORDABLE, EVERDAY ESSENTIALS AND MORE

Dollarama is a recognized Canadian value retailer offering a broad assortment of affordable consumable products, general merchandise and seasonal items through a diverse and dynamic team of over 24,000 people. Our products, available at select, fixed-price points up to \$4.00 appeal to all demographics and income ranges. Our corporately operated stores across Canada provide compelling value in convenient locations, including metropolitan areas, mid-sized cities and small towns. Select products are also available, by the full case only, through our online store.

Internationally, we own a majority interest in Dollarcity, a fast-growing Latin American value retailer with over 3,000 employees. Dollarcity offers a similar assortment of consumable products, general merchandise and seasonal items at select, low fixed price points in local currencies through its over 264 locations in Colombia, El Salvador and Guatemala.

Dollarama is committed to managing its operations and resources responsibly, and serving its customers with purpose to create sustainable, long-term value for all its stakeholders.

A CLEAR PURPOSE

To provide Canadians from all walks of life with the best quality and value on every dollar they spend, and provide them with proximity and convenient access to affordable, everyday items that address their needs and exceed their expectations.

STRONG VALUES

- ➡ ENTREPRENEURIAL
- ➡ CUSTOMER-FOCUSED
- ➡ VALUE-ORIENTED
- ➡ PASSIONATE
- ➡ AGILE AND SOLUTION-DRIVEN

KEY FIGURES



\$4B+
in 2020
revenues

24,000+
employees
across Canada

6,000
everyday and
seasonal products

1,356
Dollarama stores
and counting at
year end

14M
square feet of
retail space and
2.16M square feet
of distribution and
warehousing space

700+
Canadian
suppliers and
service providers
and 800+ overseas
vendors

5M+
customers
shop weekly
at Dollarama
whether in-store
or online

80%
of Canadian
households live
within 10 km
of a Dollarama

3,000+
store employees
promoted to new
positions within
the organization
in 2020

COMMITTED TO BEING A RESPONSIBLE RETAILER AND BUILDING A SUSTAINABLE BUSINESS

As a leading Canadian value retailer with over 1,350 stores from coast to coast, we contribute every day to moving Canada's economy forward. In the face of COVID-19, our role as a responsible retailer, employer and business partner took on an even greater purpose.

Millions of Canadians from all walks of life were able to count on their local Dollarama for safe, convenient and affordable access to everyday essentials. Our value promise and product selection were particularly relevant to customers in 2020 in a time of need.

Families and communities across Canada benefited from our ability to keep most of our stores open through the pandemic. Our 23,300 store employees were able to count on continued employment, guidance and support. Hundreds of Canadian suppliers and service providers, and hundreds more around the world, were able to count on our continued patronage. All businesses in Canada were put to the test by the pandemic. On the strength of our dedicated and passionate team and the resilience of our business model, Dollarama adapted efficiently to a new reality and emerged stronger. Management and the Board are pleased with Dollarama's performance from all perspectives.

We look forward to continued ESG-related progress in the years ahead, while serving Canadians from all walks of life with purpose.

While 2020 will have been defined by the pandemic, the unprecedented business environment did not distract management or the Board from making progress on our sustainability journey, critically assessing our achievements and challenges, and setting new,

measurable goals. Our commitment to being a responsible retailer and to building a sustainable business for the future remains unwavering.

A few highlights include:

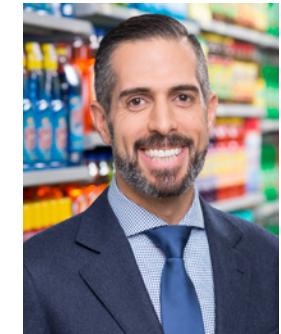
- Significant enhancements to our talent development and retention programs within our stores resulting in lower turnover and an increase in internal promotions.
- Restructuring of our product quality and compliance program with commitments to set the bar higher year after year.
- Pursuit of tangible and measurable initiatives to minimize our energy consumption and environmental footprint across our operations.
- Full implementation of our three-pronged approach to vendor compliance, increasing our ability to safeguard human rights and, where possible, exert a positive influence in our extended supply chain.
- Enhanced disclosures in alignment with recognized ESG standards and stakeholder expectations with clear commitments to achieve additional objectives.

Over the last two years, our approach to ESG has broadened. We have adopted a more integrated and proactive approach aimed not only at managing risks but also at creating value, and we have enhanced our ESG governance and oversight frameworks.

Further embedding sustainability practices in our decision making has resulted in an organization that is more engaged on the issues that matter most at the operations, management and Board levels. Proud of our progress, we acknowledge that we can and must do more, and we are motivated as a team to continue challenging ourselves to meet the expectations of our stakeholders.



Stephen Gunn
Chair of the Board



Neil Rossy
President and CEO

BUILDING A SUSTAINABLE BUSINESS WITH A STRONG ESG FRAMEWORK

Since our last report, we have made important progress as an organization to further integrate ESG considerations in our business and operating strategies, and to enhance our tracking and measurement of key ESG metrics.

We are pleased to share our achievements in this second ESG report as well as the new goals we have set for ourselves and our various ESG-related initiatives underway. In this regard, we have strong engagement at all levels of the organization and the full support of the Board as we look to continually improve our ESG program and related disclosure.

While COVID-19 impacted progress on some fronts in 2020 as increased focus was placed on the health and safety of customers and employees, the pandemic reinforced the importance of building a sustainable business with a strong ESG framework. Our ability to adapt and succeed in the face of a health and economic crisis of global proportions spoke to the resilience of our business and the agility of our people. We intend to put that agility to work in building a sustainable future.

“We will continue to strengthen our approach to sustainability through the pursuit of measurable and actionable goals, guided by our robust ESG governance framework.”

Effective in this report, we have adopted the capital markets focused and industry specific Sustainability Accounting Standards Board (SASB) standards for the purposes of ESG reporting. While Dollarama falls into the Multiline and Specialty Retailers and Distributors industry standard based on SASB’s own Sustainable Industry Classification System®, we have chosen to include in our SASB index select indicators from other SASB industry standards, to reflect Dollarama’s unique business model and our commitment to enhanced disclosure.

Recognizing the importance of climate change for all stakeholders, we have also committed to defining our roadmap and approach towards alignment and integration of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in the future. Our ongoing stakeholder engagement confirms that we are focusing on the right priority issues.

We will continue to strengthen our approach to sustainability through the pursuit of the goals and targets outlined in this report and the robust governance framework described in the following pages. Our comprehensive ESG program will ensure that we continue to manage all aspects of our business responsibly and that we do so with transparency.

From taking care of our people, to offering quality products, safeguarding human rights in our supply chain and adapting to the risks and opportunities of climate change, Dollarama is addressing the relevant issues for our business and we look forward to continuing to report on our progress.



Josée Kouri
Senior Vice President
Legal Affairs
Corporate Secretary

THE IMPORTANCE OF ESG GOVERNANCE AND ACCOUNTABILITY

ESG matters are ultimately the responsibility of the Board of Directors of Dollarama and over the last several years have been further embedded in its charters and practices. Management is responsible for the development and implementation of ESG strategies

and continues to work toward enhancing disclosure in this regard. Both management and the Board engage with stakeholders on an ongoing basis to understand and take into account their expectations regarding ESG.

DOLLARAMA BOARD OF DIRECTORS

- Responsible for oversight of corporate strategy, enterprise risk management framework, corporate governance policies, and human capital management
- ESG matters embedded in Board mandate and all Board committee charters
- Ongoing engagement with various stakeholders regarding ESG
- Ensure Dollarama has appropriate and timely ESG disclosure

AUDIT COMMITTEE

- Responsible for overseeing ESG risks associated with operations and supply chain
- Receives and reviews quarterly reports from management on ESG risks and opportunities
- Assesses adequacy and effectiveness of management's ability to monitor, manage and mitigate ESG risks
- Reviews ESG disclosure

HUMAN RESOURCES AND COMPENSATION COMMITTEE

- Responsible for reviewing policies and practices pertaining to human capital management, including from an ESG perspective
- This includes those related to corporate culture, recruitment, retention, incentives, advancement, as well as practices for supporting diversity and inclusion in the workplace

NOMINATING AND GOVERNANCE COMMITTEE

- Responsible for developing and enhancing Dollarama's approach to matters of corporate governance, including Board diversity
- Responsible for assessing, developing, recommending and implementing corporate governance policies and guidelines

MANAGEMENT COMMITTEE (CHAINED BY THE PRESIDENT AND CEO)

- Identifies ESG risks and opportunities
- Responsible for the development and implementation of ESG strategies in alignment with business priorities and stakeholder interests
- Responsible for reporting to the Board and its committees on ESG risks and opportunities

SENIOR VICE PRESIDENT, LEGAL AFFAIRS, AND CHIEF FINANCIAL OFFICER (BOTH MEMBERS OF THE MANAGEMENT COMMITTEE)

- Responsible for engaging with stakeholders on ESG issues and providing feedback to the Management Committee and Board
- Responsible for communicating and reporting on ESG matters, including ensuring appropriate and timely disclosure

A CLEAR FRAMEWORK AND EVOLVING PRIORITY ISSUES

Dollarama undertook in 2018-2019 to formally define its ESG framework and the priority issues most relevant to its business and stakeholders. This process was informed by Dollarama's enterprise risk assessment, coupled with an in-depth ESG materiality assessment. Supporting this process were specialized ESG third-party experts and feedback from various stakeholders, including shareholders and shareholder advocates, executives and employees, customers, and business partners.

Over the last two years, Dollarama has continued to improve data collection, set actionable goals and enhance ESG disclosure. Annual enterprise risk assessments and ongoing stakeholder engagement continue to inform this journey to ensure that Dollarama remains aligned with evolving ESG trends and stakeholder expectations. Dollarama will continue to report on its progress every two years. In this ESG Report, Dollarama is aligning with the Sustainability Accounting Standards Board (SASB) Standards for Multiline and Specialty Retailers & Distributors and is also reporting on additional indicators from other SASB industry standards that are relevant and applicable to Dollarama's business and operations. Dollarama's ESG priority issues outlined in this report remain in line with those previously identified but continue to be further defined and expanded.

TRACKING OUR GOALS

Our ESG goals and initiatives, as well as their current status, are indicated throughout this report. The status of each goal is defined as follows:

- Achieved
- In progress
- New



OUR PEOPLE

- ➡ Talent attraction, development and retention
- ➡ Health and safety
- ➡ Fair labour practices
- ➡ Diversity and inclusion



OUR PRODUCTS

- ➡ Product safety and quality
- ➡ Product packaging and lifecycle management
- ➡ Customer service



OUR SUPPLY CHAIN

- ➡ Responsible sourcing
- ➡ Fair labour practices
- ➡ Human rights



OUR OPERATIONS

- ➡ Climate change
- ➡ Energy management
- ➡ Recycling and waste management
- ➡ Data security and customer privacy

STRENGTHENED BY OUR DIVERSE AND DYNAMIC TEAM



EMPLOYING CANADIANS COAST-TO-COAST

As a successful value retailer serving Canadian families, Dollarama provides secure employment to thousands of people across the country. From major cities and towns to small communities in remote regions, we offer individuals from all walks of life, backgrounds and experiences access to the job market, flexible work schedules to meet diverse needs and meaningful career advancement opportunities, all in a stimulating work environment.

At the end of 2020, we counted over 23,300 store employees. We have historically opened 60-70 new stores annually and our personnel needs grow in tandem, with approximately 17 associates per store. Approximately 40% of our store employees are full-time and the remainder are part-time. Our retail network is supported by a team of nearly 850 field management, distribution, warehouse and corporate employees, a large proportion of which are based in Montreal.

Our centralized Quebec-based distribution centre and warehouses also provide work opportunities through employment agencies to fulfill up to 1,500 positions during peak periods. Our logistics staffing needs, which fluctuate throughout the year, also grow as our store network expands.

23,300

store
employees

850

field management,
distribution, warehouse
and corporate employees

Up to 1,500

work opportunities
through employment
agencies



ATTRACTING AND RETAINING THE BEST TALENT

Working in a retail environment allows individuals to acquire valuable skills and experience that can be leveraged to advance a career in the retail industry or in other sectors of the economy. For this reason, the retail sector has long been the principal point of entry into the job market for large numbers of Canadians and newcomers.

We recruit actively all year long to staff our expanding store network and to manage the turnover in our operations, including higher voluntary turnover rates for entry-level store positions, which is common across the retail industry. We also work with a limited number of vetted and well-established employment agencies to recruit and train workers to staff our logistics operations. The use of such agencies is integral to our business model in order to continuously maintain the significant staffing requirements of these un-automated operations, needs which fluctuate throughout the year based on sales volumes, and to fulfill positions that are subject to regular turnover due to the large number of entry-level positions.

Our compensation approach across our operations is reviewed regularly to ensure that wages for everyone reflect the nature of the work performed and are competitive in the market given our significant labour needs. We also continually enhance our training and development programs to help foster the success of our people and to ensure we retain the best talent. We do so while ensuring the health and well-being of everyone working in our operations, no matter where they work and regardless of status as employee or agency worker.

At store level, turnover rates become significantly lower as management responsibilities increase, the lowest being for store manager positions where the average tenure is now over six years. In 2020 and throughout the COVID-19 pandemic, we were pleased to be able to provide our employees with continued employment as an essential business and saw a marked decrease in voluntary turnover rates across all store level positions.

Competitive wages and benefits

While starting wages for entry-level store associate positions often reflect the provincial minimum wage, associates can quickly gain access to advancement opportunities and increased compensation. From full-time associate to store manager, all the way to a field management position, each step includes increased responsibility and compensation.

Competitive wages and flexible work schedules are coupled with other benefits such as group insurance and pension plans. We offer a competitive group insurance plan for eligible employees with different coverage options, from basic health to dental benefits. In addition, we offer an optional company-matched defined contribution pension plan to eligible employees.

While our entry-level store associate positions represent over 65% of our store employee base, only 39% of our store employees earn minimum wage. In 2020, the average base hourly wage of store employees was \$15.08.

In its logistics operations, Dollarama maintains wage rate parity between its employees and agency workers accomplishing the same work in its distribution centre and warehouses. No logistics employee or agency worker earns less than \$15.00 an hour and hourly rates range from \$15.00 to \$23.11 depending on position, tenure and location, excluding benefits where applicable, evening and

overnight shift premiums, and seasonal premiums. Higher hourly base wages for logistics workers compared to store associates reflect the different nature of their work, evolving market conditions as well as permanent pay increases for agency workers implemented in 2021.

Dollarama is committed to ensuring equitable pay across all positions. In this regard and while accounting for factors such as position, tenure and location, we closely track wages to monitor gender pay equity.

Goal

Revamp and launch new Employee Assistance Program

Achieved



Revamp completed in 2019; Rolled out on an ad-hoc basis throughout the pandemic in 2020, formal launch company-wide in 2021.

HELPING OUR PEOPLE GROW PROFESSIONALLY

At Dollarama, we are committed to providing our employees with equitable opportunity to grow and advance their career with us. From technical and soft skills training, peer-to-peer learning opportunities, to structured career paths and performance evaluations, we invest in our people at every stage and level.

OUR COVID-19 RESPONSE

In the context of COVID-19, and as a recognized essential business, Dollarama stores remained open to provide Canadians across the country with convenient access to affordable everyday essentials. This was made possible by the commitment and dedication of people in stores, in our distribution centre and in our warehouses. Everyone adapted quickly to significant changes in our operations to provide for a safe store and work environment. In addition, our people came to work every day to maintain well-stocked shelves and serve customers with passion and dedication.

In order to recognize the efforts and contributions of the workforce, special compensation measures were implemented throughout 2020 to reward store employees across Canada and logistics workers in Montreal. For store employees, this included a four-month 10% pay premium followed by a one-time gratitude bonus of \$300 for full-time employees and \$200 for part-time employees. Logistics employees and workers benefitted from equivalent temporary pay premiums and increased seasonal premiums.



We also ensured that our employees were able to bridge any gap in earnings and had access to appropriate support resources if they were unable to work due to COVID-19 related circumstances.

Our revamped employee assistance program (EAP) was put at the disposal of employees for additional support, providing confidential access to both physical and mental health resources, and many other services for a range of issues whether of a work-related or personal nature.

Over the last several years, we have expanded our training and development programs and leveraged our growing use of technology in stores to ensure employees benefit from a broad range of training and coaching opportunities. This provides developing employees with opportunities to learn, while our store and field managers also develop their own leadership abilities. We have created positions intended to prepare employees for greater responsibilities so that they are adequately supported in every step of their professional development.

Another key component of talent development is performance assessment. All store employees with management responsibilities take part in annual performance evaluations with their managers to set goals, obtain and provide feedback.

Store training

Training begins as soon as employees start their new roles, regardless of their position, to ensure understanding of the general operations of a store, the tasks to accomplish on a typical shift, health and safety standards and customer experience expectations.

More comprehensive training programs are provided for store positions with management responsibilities. These are led by assistant store managers (ASMs) or store managers (SMs) and focus on tactical and technical content so new hires or newly promoted employees are successful in their new positions. To provide additional incentive and to ensure successful and

attentive training sessions, we offer paid training hours to both the trainee and the trainer over and above a store's operational hours allocation.

ASMs and SMs are trained by certified training managers (CTMs). CTMs are top-performing store managers from across the country who have developed training and coaching skills through our CTM certification program. We currently have over 200 CTMs across Canada, who either receive trainees in their home stores or travel to other stores to train and coach new managers.

Our training programs are supported by an internally developed training application launched in 2020 and delivered through the handheld devices used by store employees in their everyday work. The application introduces a gamified training approach to support staff onboarding, with a program dedicated to each store position. It helps bring further balance between independent learning and instructor-led training. Currently available for all store positions with management responsibilities, our goal is to develop and launch a program for associate training by 2022. We also integrated a new flash training function to easily introduce training on special topics, new procedures or for refresher training. This will contribute to ongoing training post-onboarding for all positions.

These are but a few examples of the many training and development programs that help provide a solid framework for our



store employees to develop technical and soft skills so that they can grow and thrive at Dollarama.

Goal

Training application program for store associates to be developed and launched by 2022

New



Promoting from within

On-the-job learning is also an important component of talent development. To help ensure that high-potential employees and those looking to advance their careers in retail are able to grow, we have created store positions intended as stepping

stones to management responsibilities. In 2018, we created the position of Team Lead designed specifically for internal promotions, providing a bridge between an entry-level associate position and store management responsibilities. Over 450 store associates were promoted to this position in 2020 ahead of taking on formal store management responsibilities. In 2020, over 3,000 store employees were promoted to positions of greater responsibility.

We also strive to bridge the gap between store and field management. While a store manager is responsible for one location, a district manager can be responsible for 7 to 18 stores depending on geography.

As responsibilities and geographic scope increase exponentially between these two positions, we recognized that this could make it more challenging to successfully promote from within. In 2018, we created the developmental position of District-Manager-in-Training (DMiT) to provide high-performing store managers with increased responsibilities, similar to that of district managers but on a more manageable scale. This allows them to learn and build the required skills before advancing to the next level. Enrollment in the DMiT program has more than doubled since its inception and half of the candidates have since been promoted

to permanent DM positions. Specifically, nine DMiT participants have since been promoted to DM positions. This has resulted in a notable decrease in external hires for field management positions.

Developing our leaders

Over the last three years, we have developed, piloted and deployed a comprehensive management program called GPS, which stands for 'Guide, Progress, Success'. Based on active supervision principles and through training and coaching, the program provides our leaders with a framework to become more effective managers. It sets out clear and standardized expectations,

provides tools to learn how to prioritize, set objectives and track results. It is also focused on helping managers provide impactful and positive reinforcement, resulting in motivated store teams with clear goals working for strong leaders.

Built on the 'train the trainer' principle, executives and field leadership had to first be trained prior to rolling out GPS in stores. At the end of 2020, 92% of district managers had been trained and had subsequently rolled it out to approximately 85% of our stores. We intend to complete the roll-out of GPS training in all stores in 2021.

As the deployment phase reaches completion, our focus in 2021 and beyond is on ensuring the sustainability of the program through continued engagement and goal setting.



GUIDE, PROGRESS, SUCCESS

"GPS leverages the best practices of all our regions and provides coaching and training that elevates the leadership and management skills of everybody on our store operations team, myself included. It's not about working harder but about working better and smarter."

- Johanne Choinière
Chief Operating Officer

Goals

Increase promotions from store level to field management via DMiT program

Achieved



Enrollment in DMiT program more than doubled since inception, with half of candidates promoted to DM positions since 2018.

Complete roll-out of GPS training in stores in 2021

In progress



ENSURING THE HEALTH AND WELL-BEING OF ALL COLLEAGUES

We strive to ensure that our team remains dedicated to the common objective of maintaining a safe work environment through consistent operating routines and by considering health and safety in every activity. Store, warehouse and distribution centre management is accountable for this responsibility and for ensuring that any machinery or equipment being used or task being undertaken is safe. Our objective is to comply at all times with established operating procedures and health and safety standards set out in our manuals and various site-specific training programs and to eliminate or, at the very least, reduce hazards, to prevent occupational injury.

In stores, which represent the work environment for the largest proportion of our workforce, the primary focus of our health and safety training is on receiving merchandise, handling carts and boxes, working safely with box cutters, organizing risers and using ladders. Prevention begins with mandatory training for all new hires, as well as regular refresher training for all store employees no matter their position.

Goal

Reduce frequency and severity of lost-time injuries

In progress





Our objective is to reduce the frequency and severity of lost-time injuries most commonly related to handling merchandise, using box cutters and ladders, falling objects, and slipping or tripping. In early 2021, we were pleased to launch a new mandatory health and safety training video and accompanying employee quiz, as we continue to leverage technology to engage employees in the importance of health and safety.

In our distribution centre and warehouses, our focus is on ensuring that people work in a safe and structured work environment, by following established procedures in order to maintain operational efficiency. Daily operations primarily involve the handling and assembling of merchandise by the pallet for shipment to our stores across the country. As such, our health and safety focus is on preventing lost-time injuries primarily related to bumping into rolling objects or handling merchandise.

Proper personal protective equipment is a prerequisite, and each worker must undergo health and safety training. Moreover, onsite supervisors are responsible for ensuring that safety policies and procedures are being followed at all times. We also have a large number of first-aid responders onsite to address any minor incidents. The same strict procedures, policies and safety training requirements apply to all, whether employees or agency workers.

COVID-19 HEALTH AND SAFETY PROTOCOL

At the onset of COVID-19, Dollarama acted quickly to implement new COVID-19 related safety protocols and worked closely with public health authorities to ensure the right measures were put in place and updated as public health guidelines evolved. Additional operating hours were deployed for the execution of these measures, which are expected to remain for the foreseeable future.

Store network measures

- Adherence to hygiene, respiratory, physical distancing and self-isolation practices in accordance with public health guidelines
- Mandatory hand sanitization upon store entry and store greeter where required
- Strict and frequent cleaning and sanitization protocols with a focus on frequently touched surfaces
- Use of personal protective equipment, including mandatory masks for employees and customers
- Installation of plexiglass shields at all cash counters
- Distancing markers in queue lines and directional arrows in aisles
- In-store customer capacity limits and crowd control
- In-store signage and broadcasting of safety and physical distancing measures applicable to customers and employees
- Encouraging customers to use tap and pay with debit or credit cards
- Strict protocols in place for any probable or confirmed COVID-19 case

Distribution centre and warehouse measures

- Adherence to hygiene, respiratory, physical distancing and self-isolation practices in accordance with public health guidelines
- Temperature and health checks at the entrance of each facility
- Strict and frequent cleaning and sanitization protocols, including sanitization of equipment used by workers before the start of each shift
- Use of personal protective equipment including mandatory masks for all workers and site visitors
- Disinfectant stations installed throughout the premises
- Staggered lunch breaks and shift start and end times, among other onsite measures, to promote physical distancing
- Signage throughout the premises with safety and physical distancing measures applicable to all workers
- Strict protocols in place for any probable or confirmed COVID-19 case

A DIVERSE AND INCLUSIVE WORKPLACE

Dollarama is committed to equity and equality in all its employment practices and policies. We seek to recruit, develop, reward and retain our employees on the basis of merit, ability and performance.

Discrimination based upon race, colour, sex, pregnancy, sexual orientation, civil status, age (except as provided by law), religion, political convictions, language, ethnic or national origin, social condition, disability or any other factors prohibited by law is not tolerated in our workplace. Dollarama has clear policies in place outlining our expectations in this regard, on which all employees are trained and for which managers are responsible. These policies also go beyond employees and cover customer interactions as well—both regarding the standards our employees are expected to uphold, and the respect and dignity with which they must, in turn, be treated.

Gender diversity

While we do not set targets regarding the representation of women among our employees and executives, we are committed to equality of opportunity and to the recruitment, retention, development and promotion of qualified female and male candidates, including at the highest levels. Women represent the vast majority of our in-store workforce and are also well-represented at the corporate level. In our distribution centre and warehousing operations women are significantly under-



represented, with the recruitment of women in these positions remaining an industry-wide challenge.

At the Board of Directors level, a formal Board Diversity Policy was adopted in 2018. Consistent with its commitment to increasing the Board's gender diversity, the policy was amended in 2021 to set a target to have each gender comprise at least 30% of the Board, and the Board intends to maintain diversity above this threshold going forward. Following the election of the nine director nominees presented in the April 2021 management proxy circular, the Board will have three of seven independent

directors (43%) and three of nine directors (33%) who are women.

Goal

Maintain 30% female gender diversity on Board of Directors

Achieved



33% of our directors will be women following the 2021 Annual General Meeting of Shareholders.

Racial and ethnic diversity

Our workforce is fully representative of the diversity of the communities we

WOMEN LEAD HERE

In early 2021 and for the second year in a row, Dollarama was named to The Globe and Mail's annual Women Lead Here benchmark of executive gender diversity in corporate Canada. The Globe and Mail's Report on Business researchers evaluated the top tiers of executive leadership at hundreds of Canadian companies to narrow the list down to 71 companies considered to have significant numbers of female executives.

serve, a testament to the inclusiveness of our workplace. At this time, and with the exception of the Board and executive officer levels, Dollarama does not formally track the racial and ethnic group representation of its workforce. As of the date of this report, no executive officers identify as persons with disabilities, members of visible minorities or Aboriginal peoples². One nominee for election in the April 2021 management proxy circular identifies as a visible minority. Dollarama is evaluating ways in which it can better track and eventually enhance its disclosure regarding the representation of these groups in its broader employee population.

¹) Contrary to the other gender representation percentages provided on this page, Board gender diversity is calculated as at June 9, 2021.

²) Designated groups as defined in the *Employment Equity Act* (Canada)



ENGAGING IN ETHICAL BEHAVIOUR

Dollarama is committed to conducting its business in accordance with the highest ethical and legal standards and our employees are required to make the same commitment. Our Code of Conduct and Ethics, applicable to directors, management and employees, provides guidelines for maintaining the integrity, reputation, honesty, objectivity and impartiality of Dollarama. It also provides for whistleblower communication channels through which work-related concerns and suspected violations of the Code can be reported on a confidential basis.

Goal

Launch revamped and more comprehensive Code of Conduct and Ethics applicable to directors, management and all employees in 2022

New



In 2021, Dollarama has undertaken to revamp and broaden the scope of its Code

to capture additional pertinent issues in more detail such as human rights, diversity and inclusion, among others. Our goal is for the new Code to be broader in scope but also applicable from a practical standpoint in the day-to-day tasks of employees no matter their position, work environment or location. We want to ensure that they have the right tools at their disposal when dealing with issues of an ethical nature whether they relate to personal conduct or business practices. We expect to launch our new Code supported by an employee engagement and communication campaign in 2022.

COMMUNITY IMPACT

Every Dollarama store generates a positive economic and social impact in its community by providing jobs and a convenient shopping destination for everyday essentials and seasonal products at affordable prices. From just one store in 1992 to over 1,350 at the end of 2020, we have grown to be the go-to shopping destination for millions of Canadians from all walks of life, a fact reinforced by the COVID-19 pandemic.

From a corporate perspective, we are a significant employer in Canada with a direct payroll of over 24,000 people. Our activities also create thousands of indirect jobs related to new store openings and renovations, the manufacturing and distribution of our products, and the professional services engaged in support of our field and head office operations.

DIRECT ECONOMIC VALUE CREATED BY DOLLARAMA'S ACTIVITIES

Stakeholder	Value Generated	2018	2020
Customers	Sales	\$3.5B	\$4.0B
Value Distributed			
Vendors and Service Providers ¹	Products and Services Purchased	\$2.2B	\$2.5B
Employees	Salaries, Wages and Benefits Paid ²	\$459.1M	\$599.8M
Employees, Customers and Communities	COVID-19 Direct Investments ³	-	\$84.0M
Shareholders	Total Capital Returned to Shareholders	\$584.4M	\$141.8M
Capital Providers	Interest Paid to Debtholders	\$45.6M	\$46.8M
Communities	Taxes Paid	\$777.6M	\$876.2M
Communities	Stewardship Fees Paid; Ecofees Collected and Remitted	\$11.2M	\$13.6M

¹ Includes capital expenditures, merchandise and transportation costs, payments to landlords, utilities, recycling and waste management costs, maintenance costs, other service provider and professional fees.

² Excludes COVID-19 related temporary wage increases and one-time bonus.

³ COVID-19 direct costs include temporary wage increases and a one-time bonus, as well as additional in-store labour hours and other costs related to the implementation and execution of COVID-19 health and safety measures across our operations.

SAFE, QUALITY PRODUCTS



EVERYDAY ESSENTIALS AND MORE

Dollarama offers a wide selection of affordable everyday essentials at fixed price points as low as \$0.82 and up to \$4.00 per item. Our quality product offering of general merchandise, consumables and seasonal products is comprised of a mix of recognized brand names and our own private labels.

Dollarama merchandise mix
(based on retail value)

2018

General merchandise
43%

Consumables
41%

Seasonal products
16%



2020

General merchandise
42%

Consumables
44%

Seasonal products
14%



With an average of 6,000 active products available at any given time, we constantly adjust our all-year and seasonal product mix, refreshing 25% to 30% annually to meet the needs of our customers. While Dollarama has long been, and continues to be, a destination for general merchandise and seasonal items, demand for consumables, such as cleaning and household, food, health and hygiene and pet products, increased in the context of the COVID-19 pandemic, as reflected in the slight change in merchandise mix over the last two years.

A LIFE CYCLE APPROACH TO PRODUCT COMPLIANCE

Consumer product safety is our first and foremost priority. We have strict processes and controls in place to monitor safety and quality—from product and vendor selection, packaging and labelling reviews, shipping and storing practices, to post-market product performance monitoring.

Our commitment to product safety and quality is embedded in the buying processes and practices of our Procurement team while product safety is actively monitored by our growing Product Compliance team, who is also tasked with staying abreast of evolving consumer product guidelines and regulations, and ensuring that personnel of all departments who play a role in the life cycle of a product is trained on compliance requirements.



Over the last two years, Dollarama has reshaped its approach to compliance by creating a standalone team, independent from the Procurement and Import groups, which oversees product and vendor compliance in our extended supply chain, and that reports into Legal Affairs.

The Product Compliance team works closely with the Procurement team to ensure buyers are trained on the latest technical, testing and/or licensing requirements for the product categories under their responsibility. It also monitors and enhances our processes, where required, to ensure their effectiveness and improve them as requirements and best practices evolve.

This allows buyers to meet compliance requirements while focusing on procuring products that offer customers high quality and outstanding value.

Goal

Restructuring of compliance program to increase efficiencies and oversight over product and vendor compliance

Achieved



New director of compliance hired in 2019, supported by a growing team of dedicated product compliance specialists.



Ensuring that products meet specifications starts at manufacturing. We have a strict internal approval process for monitoring compliance in this regard, and regularly solicit third-party expertise to ensure that we are applying and meeting all of the requirements, and adapting as they evolve.

Product Compliance is responsible for engaging with Health Canada, the Canadian Food Inspection Agency and Environment Canada whether proactively, to stay abreast of emerging regulations and guidelines or in the context of inspections or product-related investigations. The Product Compliance team continues to take steps to enhance our processes and controls to ensure the products we source meet or exceed evolving Canadian regulations and our own specifications.

A RISK-BASED APPROACH TO SAFETY AND QUALITY MONITORING

Certain product categories carry higher risks in the event of non-compliance, as

they may present health or safety-related hazards. In line with our risk-based approach to managing product compliance, we have tailored programs and monitoring procedures for specific categories such as toys and other children's products, batteries and electronics, certain health and beauty products and accessories, food, medical devices, over-the-counter drugs and natural health products. All product categories are reviewed on a continual basis and in line with evolving regulations and frameworks to build or enhance existing compliance programs where relevant.

Chemical hazards mitigation strategies

Ensuring that toys do not contain chemicals in excess of allowable limits, in addition to meeting all other chemical and heavy metals testing requirements, continues to be a top priority for the Product Compliance team.

Consumer products or toys which contain rubber, plastics or liquids are subject to systematic testing and monitoring, including third-party testing, to monitor the absence of, or compliance with allowable limits for, certain chemicals or heavy metals which are considered hazardous for human health and/or for the environment and which are prohibited or controlled by regulatory agencies. This includes monitoring the presence of phthalates, which are often used in plastics to soften and increase flexibility.

The Product Compliance team aims to further upgrade our risk management

program which covers all prohibited or restricted chemicals in an effort to further enhance compliance procedures.

Our Procurement and Product Compliance teams are also focused on increasing testing to eliminate the presence of certain chemicals or heavy metals in our products even where there may be allowable limits. This includes eliminating the risk of short-chain chlorinated paraffins (SCCPs) being present in our plastic products. Used as lubricants and coolants in metal cutting and forming and as plasticizers and flame retardants in plastics, SCCPs are bioaccumulative and considered toxic to aquatic organisms. We are actively working with our product manufacturers and vendors to achieve this goal.

Goals

Eliminate the risk of short-chain chlorinated paraffins (SCCPs) presence in plastic products by requiring that manufacturers adopt alternative materials and techniques when possible, to minimize the environmental impact of our plastics products

New



Align Dollarama and Dollarcity compliance programs so that products systematically satisfy requirements in all distribution markets

New



Increased toy product testing

Over the last two years, our Product Compliance team has reviewed the certification and testing requirements on a broad range of products and has also increased the number and frequency of product testing, in line with one of our 2018 goals.

Goal

Increase number and frequency of product testing on toys

Achieved



Product testing has doubled since 2019.

As products are offered for sale in new jurisdictions through our Dollarcity operations, we must ensure that they meet the standards required in all markets. In 2020, and ahead of Dollarcity's planned entry into the Peruvian market, a toy testing blitz was conducted to ensure compliance with the country's strict regulations on imported consumer products. Less than 1% of the toys tested required further investigation for Canada and regulatory action was required in only 0.2% of instances.

In 2021, the Product Compliance team's objective is to pursue further alignment of compliance programs and practices between Canada and Dollarcity's growing list of countries of operation to streamline processes, leverage best practices of each organization and harmonize risk management approaches.



Food safety

While we do not sell any refrigerated or short-shelf life/perishable goods, food is also a priority area in terms of product safety. A new regulatory framework came into effect starting in 2019 with the implementation of the Safe Food for Canadians Act and Regulations. This presented an opportunity to review and enhance Dollarama's food control plan, to ensure its successful transition to increased standards and new regulations. We have also developed enhanced training for buyers but also throughout our supply chain, to include product handling and storing practices.

Other areas of focus

Dollarama also proactively assesses its product offering in line with Health Canada's ongoing consumer product surveillance program, under which specific product categories may be targeted from time to time. These activities provide an additional layer of verification. Recent industry-wide areas of focus by Health Canada have included night light plugs, items with button batteries, metal BBQ brushes, decorative lighting strings and USB chargers, to name a few. This helps focus our efforts on additional key product categories for which there may have been industry-wide issues, allowing

us to ensure compliance ahead of the implementation of revised regulations and guidelines.

In 2021, the Product Compliance team will be implementing targeted product testing programs to increase and enhance testing on electronics and products with batteries, flammability of textiles and BBQ brushes, similar to its toy testing blitz in 2020.

Goal

Implement additional targeted product testing programs in line with Health Canada's ongoing consumer product surveillance

New



ROBUST PRODUCT RECALL PROCEDURES AND SAFEGUARDS

Recognizing that it is not always possible to identify a specific product concern upstream or to guarantee that all products are manufactured in accordance with specifications, Dollarama has standardized recall procedures to ensure the timely and efficient chain-wide removal of products from shelves, if and when required.

This process is supported by standard protocols for the secure disposal of products and reporting mechanisms to track recall completion and effectiveness. As an added safety feature, through the point-of-sale system, we systematically block the sale of any product subject to a regulatory recall, making it impossible

for a transaction to be completed at check-out.

Toys

In 2018, Dollarama plastic toy products were the subject of a series of recalls due to the presence of higher than allowable phthalate levels. Following these recalls, we increased the number of products tested. Since then, we experienced only one toy recall in 2019, this time related to a potential choking hazard, and none in 2020.

OTC drugs and natural health products

In 2019, Dollarama was asked by a supplier and market authorization holder to recall an over-the-counter acid reducer containing ranitidine following an industry-wide directive by Health Canada to stop distributing such drugs in Canada while it assessed the risk of detected impurity. The sale of such products in Canada under new guidelines has since resumed.

Goal

Increase access to recall information for consumers

Achieved



Recall information is systematically posted to Dollarama's website since the end of 2019.

In the context of COVID-19, demand for protective and sanitizing products, including products qualified as natural health products (NHP), increased

significantly and this category became a natural area of focus for Health Canada. In 2020, a hand sanitizer sourced from a Canadian supplier and NHP license

holder resulted in a recall. The supplier was found to have Good Manufacturing Practices violations by Health Canada. As a result, Dollarama immediately ended its

commercial relationship with this supplier and revisited its controls for the sourcing of NHPs from Canadian license holders. To ensure greater oversight on such products, in 2020 Dollarama also became an NHP and medical device license holder and importer, allowing direct sourcing of these high-demand products at affordable prices for customers. Dollarama also now systematically subjects Canadian suppliers to similar NHP due diligence requirements as for directly imported goods.

Food

In the last three years, Dollarama recalled two third-party branded food products, in both cases due to an undeclared allergen following a reported allergic reaction. In 2020, Dollarama was the subject of over 25 food investigations, whether as part of the normal course of business of federal or provincial level food inspection agencies or as a result of a product complaint. 100% of these were resolved in a timely and satisfactory manner. Only one resulted in a regulatory recall.

PRODUCT PACKAGING AND PRODUCT LIFECYCLE MANAGEMENT

Minimizing product packaging is a core principle of our cost-effective model. Product packaging also contributes directly to efficient transportation. The more items that can fit in an individual package, a case or a pallet, and in a container, the fewer containers or trucks need to be used.

Goal

Ensure that all private-label product packaging made of recyclable materials is clearly labelled

New



Dollarama designs the packaging of a large number of products available in its stores and sold under its private labels. Dollarama is in the process of reviewing all of its product packaging to ensure that products packaged in recyclable materials are clearly labelled and easily identifiable by customers to encourage the use of appropriate recycling streams. This ongoing initiative will also better enable Dollarama to measure and track the percentage of its products packaged in recyclable materials. Dollarama continues to privilege the use of recyclable packaging for all product packaging it designs where available and feasible.

A significant proportion of the products we sell are national brands. Many of the manufacturers we buy from have programs to ensure that their packaging is minimized, made from recycled or renewable materials, and either recyclable, re-usable or compostable.

Some of the national brand products we carry are third-party certified to environmental and/or social sustainability standards. Due to the fact that we sell both our own private brands as well as

RECALLS

	2018	2019	2020
Toy recalls			
# of recalls	5	1	0
# of units	715,988	3,825	-
% of sales of category	0.3	< 0.1	-
Food recalls			
# of recalls	1	0	1 ²
# of units	5,201	-	23,299
% of sales of category	< 0.1	-	< 0.1
NHP/drug recalls			
# of recalls	0	1	1 ³
# of units	-	n/a ⁴	11,740
% of sales of category	-	n/a	< 0.1
All other product recalls			
# of recalls	0	0	1 ⁴
# of units	-	-	34,968
% of sales of category	-	-	0.4
Total recalls			
# of recalls	6	2	3

1 Recall of acid reducer containing ranitidine - quantities recalled not representative

2 OKF brand Rice Drink Original recalled due to undeclared milk

3 Dailyshield hand sanitizer recalled by Bio Life Sciences Corp. due to presence of methanol

4 Mini outdoor light set recalled by Danson Décor Inc. due to electric shock hazard

third-party and national brands, and that up to 30% of our product mix shifts any given year, measuring this information remains a challenge.

We continue to explore ways to enhance measurement and disclosure regarding our private-label brands, and to develop strategies in support of decreasing the environmental impact of our products and packaging.

PARTICIPATION IN STEWARDSHIP PROGRAMS

Dollarama is a registered Industry Steward in all provinces that have put programs in place to help manage the lifecycle of products after their sale. Through these programs, we assume a growing percentage of the net costs of curbside recycling according to the type and quantity of materials we import and/or sell. Ecofees or environmental handling fees are collected, where applicable, and remitted to industry-led not-for-profit organizations that operate regulated recycling programs across Canada to meet related recovery and recycling efforts. Our participation in such programs has increased over the last two years. In 2018, we contributed over \$11.2 million in stewardship and ecofees. In 2020, this number reached \$13.6 million.



RESPONSIVE AND PROACTIVE CUSTOMER SERVICE

Although we have a “no refund, no exchange” policy given the low price points of the products we sell, this policy does not apply to products that do not meet the reasonable quality standards our customers have come to expect or to products deemed defective, despite quality controls in place.



We have a dedicated Customer Service department responsible for engaging with customers regarding their shopping or product experience. Our Customer Service team is supported by the Product Compliance team as part of the monitoring of the post-market performance of our products. This ensures that qualified personnel systematically follow-up and evaluate all comments and claims regarding product quality and performance, and investigate safety-related allegations.

We regularly survey our customers to better understand their needs and shopping experience. Customer feedback is constantly taken into consideration in our purchasing and merchandising practices and contributes to our decision-making as we refresh our product offering each year.

A ROBUST AND FLEXIBLE SUPPLY CHAIN



RESPONSIBLE SOURCING

Dollarama maintains a robust direct sourcing and import platform that has been carefully developed over decades. We consider our global sourcing capabilities and supply chain to be a key competitive advantage, allowing Dollarama to provide consumers with compelling and always affordable products in every aisle and every season.

Although affordability is Dollarama's trademark, our track record as a successful business demonstrates that the focus of our sourcing strategy encompasses much more than the price of a given product. For example, the millions of Canadians who shop our stores every week have expectations about product safety and quality, and our Procurement and Product Compliance teams know these need to be met. Increasingly, we have been expanding our oversight of our supply chain to formally track social, environmental and governance issues that matter to our shareholders, employees, customers, governments and other stakeholders.

Today, we monitor our supply chain closely through a three-pronged vendor compliance approach. It rests on our Vendor Code of Conduct, our Vendor Compliance Survey and our Social Audit Program. Each reinforces and informs the other, allowing for multiple opportunities for oversight, engagement and action.

We are committed to transacting only with reliable vendors who are responsibly managing their operations from a social and environmental standpoint. Where possible, this includes intervention to exert a positive influence.

A diverse and flexible vendor base

We maintain records of all vendors, whether for products sourced directly and for which Dollarama is the importer of record, or those sourced locally or from other importers. In 2020, we sourced products from approximately 1,350 distinct vendors.

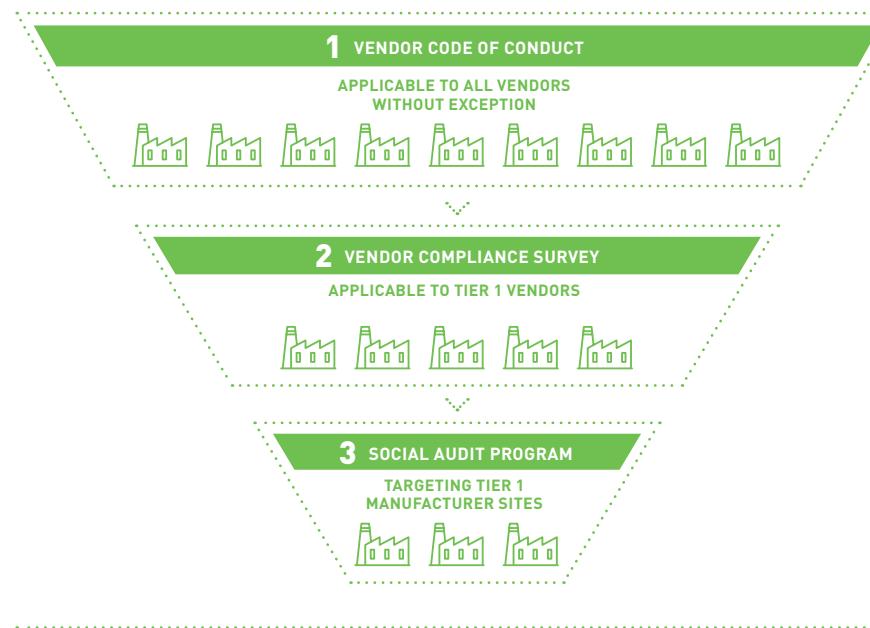
Our top ten vendors represent approximately 25% of total purchases, while our top 25 represent just over 40%, with no single vendor accounting for more than 4% of total purchases. While we import a substantial proportion of our offering directly from China, our sourcing strategy blends imported goods from over 25 countries around the world.

Our procurement is largely effected on a purchase order by purchase order basis, and not through long-term contracts. This allows for more flexibility to terminate relationships if standards are not met and/or



or remediation is not achieved in a timely or satisfactory manner. The diversity of our vendor base and our sourcing approach also reduce supply chain dependencies or potential disruptions.

Our three-pronged vendor compliance program



Monitoring social and environmental supply chain risks

We offer a broad product assortment, with each product category presenting different environmental and social risk profiles, depending on its nature and country of manufacture. Emerging social or environmental issues, whether regarding certain product categories or their country of manufacture, are monitored by our Product Compliance and Legal Affairs teams. Since the publication of our last report in 2019, the social and environmental risk profile of our overall product offering has remained consistent.

A significant proportion of the directly sourced products we carry fall into the chemicals, rubber and plastic categories. These products, along with food, which also represent an important proportion of our purchases, are recognized as presenting lower social risk profiles, based on factors such as manufacturing processes and origin.

Based on the same criteria, electronics and apparel present the highest social risk profiles among our product categories. These are primarily sourced from China. Together, these two categories represented less than 4% of our total procurement spending in 2020.

From an environmental standpoint, the product category with the highest potential impact is food. Household and personal care products also have higher environmental risk profiles, but a large proportion of such products we carry are name-brand products and not manufactured for or directly sourced by Dollarama.

SAFEGUARDING HUMAN RIGHTS

Ensuring that all individuals are treated with dignity and respect in our extended supply chain is paramount. All prospective vendors are thoroughly screened by Dollarama and must also certify compliance with our Vendor Code as a prerequisite for engaging in any commercial relationship with us.

Our expectations regarding the safeguarding of human rights and reasonable working conditions are clearly outlined in our Vendor Code. These expectations apply to our vendors, their own supply chain structures and their commercial partners, whether or not the vendor is the product manufacturer, which must be made transparent to Dollarama.

In conjunction with the publication of this report, we launched an updated and enhanced Vendor Code in which we expanded and further detailed vendor engagement standards to ensure that our code comprehensively captures all of the human rights risks in our supply chain and to address key ESG issues that have emerged in the last few years. Our updated code is aligned with the standards set out in the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, which also draw on the United Nations "Protect, Respect and Remedy" Framework and Guiding Principles on Business and Human Rights.

Forced labour, underage labour, unfair disciplinary practices, discrimination and other illegal labour practices are not tolerated in our supply chain. We believe every worker deserves a safe, sanitary and healthy working environment, reasonable working hours and overtime, as well as wages and benefits that, at minimum, meet local legal and regulatory requirements.

All of Dollarama's vendors have certified compliance with our former Vendor Code, and we expect the full adoption of our enhanced code to be completed by October 2021. Vendors will also now be required to re-certify compliance with the enhanced code at minimum every year, from every two years previously.

► WORKPLACE AND ZERO TOLERANCE STANDARDS PROMOTED BY OUR ENHANCED VENDOR CODE

- Safe, sanitary and healthy work environment, including regular internal workplace safety training
- Zero tolerance for forced and underage labour
- Zero tolerance for use of labour agencies who charge recruitment fees or illegally deduct fees from employee wages
- Protection for young workers
- Fair disciplinary practices
- No discrimination
- Reasonable working hours and overtime
- Wages and benefits that at minimum meet legal requirements in country of operation



While a majority of the products available in Dollarcity stores are sourced through Dollarama and subject to our vendor compliance program, Dollarcity also transacts directly with select vendors, local and foreign. Our objective is for Dollarcity to adopt and implement an equivalent Vendor Code applicable to its direct vendors, which are primarily located in Central and Latin American countries, by the end of 2022. Bribery and corruption are areas of particular focus in these markets and are already addressed via a compliance program implemented by Dollarcity.

Vendor engagement on labour and human rights issues

In addition to outlining our expectations regarding labour and working conditions,

Goals

Comprehensive update of Vendor Code

Achieved



Enhanced Vendor Code required for all new purchase orders effective June 2021. All existing vendors expected to confirm compliance with new Vendor Code by October 2021.

Roll-out of equivalent Vendor Code to Dollarcity direct suppliers by 2023

New



we require all vendors to maintain complete and accurate records and grant Dollarama or a designated agent of Dollarama with reasonable access to facilities, records and workers for inspection or audit purposes, and to work with Dollarama or its designated agent to resolve issues.

Since 2019, our growing Product Compliance team has been enhancing our visibility on, and engagement with, manufacturers from whom we procure goods directly, defined as Tier 1 manufacturers, regarding their social and environmental practices and, where needed, exert a positive influence. Based on a number of critical factors, Tier 1 manufacturers are given a risk score to establish their requirement to automatically participate or not in our Social Audit Program.

As a first step, an important proportion of Tier 1 vendors, selected based on factors such as country of manufacture and annual procurement volumes, must complete our mandatory Vendor Compliance Survey. The survey's objective is to validate the existence of a current social audit conducted by, or a certification issued by, an accredited third party that validates or certifies workplace policies and practices that meet the expectations outlined in our Vendor Code.

Based on a careful review of the documentation provided by Tier 1 vendors

as a result of their participation in the Vendor Compliance Survey, our Product Compliance team further adjusts their risk scores and evaluates the need for any next steps. This may include requests for more information, the scheduling of a third-party audit or corrective action if a notable deficiency has been identified. No further action is required from manufacturers with recent social audit reports that meet our expectations until a new social audit must be conducted as per our Social Audit Program's schedule, which is at minimum every three years.

A FOCUSED SOCIAL AUDIT PROGRAM

As an integral part of our longstanding product safety monitoring efforts, Dollarama buyers and accredited third-party auditors regularly conduct in-person visits to vendor facilities as we require specific audits as needed for product safety compliance. Such audits provide opportunities to review the social and environmental practices of vendors, but it is not their focus. Dollarama's Social Audit Program, implemented in 2019 and supported and informed by our Vendor Code and Vendor Compliance Survey, is independent from our ongoing product quality and safety driven audits. Administered by our Product Compliance team under the direction of Legal Affairs, it is primarily focused on monitoring social and environmental practices of our Tier 1 manufacturer sites.



Tier 1 manufacturers targeted for social audits are selected based on a number of factors, including the nature of the product, country of manufacture, annual purchasing volumes, survey results, their risk score and/or the availability and status of a recently conducted social audit by an accredited third party deemed equivalent by Dollarama. For example, all Tier 1 manufacturers who represent a significant volume of purchases and who operate in China must be subject to regular social audits by an accredited third-party organization.

Goal

Roll out Social Audit Program developed in 2019

In progress



Social Audit Program roll-out began in late calendar 2019 as planned, but COVID-19 interrupted the pace of third-party audits in 2020. Audits resumed in early 2021.

Whether as a result of the Vendor Compliance Survey or a third-party audit, we will work with our vendors to develop corrective action plans if required to support them in their efforts to improve their practices. We are committed to exerting a positive influence where we can, but we will not hesitate to immediately terminate a commercial relationship with a vendor in case of gross negligence or unlawful behaviour, including violations of standards that are subject to a zero tolerance policy as per the terms of the Vendor Code, or if a vendor is unwilling or unable to remediate a situation of non-compliance within a reasonable timeframe.

Vendor engagement standards that are subject to a zero tolerance policy by Dollarama include the prohibition against forced labour and underage labour as well as import, sanctions and anti-corruption and anti-bribery compliance.

Vendor compliance program onboarding

Over the last two years, the focus of the Product Compliance team has been on completing the onboarding of qualifying, existing Tier 1 vendors to our three-pronged vendor compliance program to reach a satisfactory level of visibility on their social and environmental practices. All existing Tier 1 vendors required to participate in our Vendor

Compliance Survey did so by the end of 2020 while the roll-out of remaining required social audits was delayed, in part due to COVID-19.

Effective in 2021, all new Tier 1 vendors are subject to the Vendor Compliance Survey as new purchase orders are made and to ensure the ongoing maintenance of our vendor compliance program. We will continue to engage with vendors to ensure that their manufacturing sites are the subject of regular social audits, and will continue to carefully review and monitor their performance and take action where required.

ENVIRONMENTAL RESPONSIBILITY

Climate change is a global issue and our three-pronged approach to vendor compliance is also designed to monitor environmental performance. We strive to work with vendors who use resources, material and energy efficiently and responsibly, and who work to minimize the adverse impact of their activities on the environment.

Our minimum expectation is that our vendors meet local environmental laws and regulations. Practices that result in the illegal discharge of effluents, toxic substances or waste are strictly prohibited under the terms of the Vendor Code.

Documentation gathering through our Vendor Compliance Survey enables us to examine compliance of Tier 1 vendors and identify any concerns, while both our own

in-person audits and third-party social audits can validate conditions through onsite inspections.

We provide our vendors with the opportunity to apply corrective action in a timely manner to meet our expectations and we support their efforts to improve their performance. As with social issues and as a matter of policy, we will not engage with a vendor who is unable or unwilling to implement corrective action to achieve environmental compliance in a timely or satisfactory manner.

Goals

Ensure that required Tier 1 manufacturers are the subject of accredited social audits at minimum every three years

New



Enhance disclosure on Tier 1 manufacturer social audit performance

New



WHISTLEBLOWER PROCEDURE

Dollarama has several channels available for questions or concerns regarding its vendor compliance program as well as a whistleblower channel allowing any person who believes that a violation of the Vendor Code has occurred to report the relevant information confidentially.

General inquiries:
vendorcode@dollarama.com

Confidential inquiries:
ethics@dollarama.com

We value the integrity of our supply chain and are committed to fostering transparency and trust. Dollarama's Legal Affairs team administers these channels and is responsible for objectively managing and investigating any reported incidents and their timely resolution.

RESPONSIBLY MANAGING OUR OPERATIONS



MANAGING OUR ENVIRONMENTAL IMPACT

In order to manage our operations and resources responsibly from an environmental standpoint, we are continuously looking to improve the energy efficiency of our stores and other facilities as our footprint

grows. We are also focused on promoting reuse, improving recycling and diversion rates as well as reducing waste across our operations.

Nearly all of our Scope 1 and 2 greenhouse gas (GHG) emissions result from energy

consumption—mainly electricity—by our store network across Canada and our corporate offices, distribution centre and warehouses located in the Montreal area. As a result, our direct and indirect emissions are limited compared to more energy-intensive industries.

Our retail footprint in square footage increased by over 11% from 2018 to 2020, while total GHG emissions increased by approximately 10%.

All of our electricity consumption is grid electricity purchased from utility companies. Approximately 82% of our grid electricity is from non-GHG emitting energy sources and 54% from renewable energy sources. Over half of our renewable energy consumption is hydropower in the Province of Quebec where our corporate offices, logistics operations and approximately 30% of our stores are located.

GHG emissions produced through the manufacturing and transportation of our goods by third parties are considered Scope 3 emissions. At this time, we do not measure the full breadth of Scope 3 emissions on an annual basis but we continue to take steps to improve our visibility on the carbon impact of our downstream and upstream activities. This includes third-party product transportation, product manufacturing in our extended supply chain and business travel.

AN INCREASED FOCUS ON CLIMATE CHANGE RISKS AND OPPORTUNITIES

Climate change poses risks to our planet, to people and to businesses, both from a physical and future regulatory standpoint. Governance of climate-related risks and opportunities is now formally embedded in our Audit Committee's charter as part of its ongoing enterprise risk assessment processes.

In order to better understand and evaluate the broader implications of climate change, including associated physical and transition risks and opportunities, we are undertaking to develop a roadmap and approach to align with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in the future. As part of our response to climate change, we will assess potential impacts of various scenarios on our business and related risk mitigation and adaptation measures, while also looking for new opportunities. Our ultimate goal is to ensure Dollarama can adapt and continue to thrive under various climate change scenarios. This roadmap will allow us to enhance climate change-related disclosures as necessary.

Goals

Enhance visibility and measurement capability of Scope 3 emissions

New



Develop TCFD alignment roadmap

New



SOURCES OF GHG EMISSIONS

Metric Tons of CO ₂ e ¹	2018	2020
Scope 1 - Direct		
Company-owned vehicles	1,070 (1%)	1,054 (1%)
Building natural gas consumption for heating purposes ²	47,553 (61%)	53,878 (63%)
Scope 2 - Indirect		
Building energy consumption from purchased electricity ²	28,928 (38%)	30,654 (36%)

¹ Carbon dioxide equivalent (CO₂e) is a measure used to compare the emissions from various greenhouse gases based upon their global warming potential.

² From 2018 to 2020, Dollarama's retail footprint in square footage increased 11%.

EMISSIONS BY ACTIVITY

Metric Tons of CO ₂ e	
Retail store operations	72,965 (85%)
Centralized logistics and head office operations	12,621 (15%)



GAINING EFFICIENCIES AS WE GROW

Reducing energy consumption in our expanding store network is a key area of opportunity. We constantly look to incorporate energy saving specifications as we open new stores and renovate or retrofit existing locations, with higher energy efficiency often translating into cost savings. Lighting along with heating, ventilation and air-conditioning (HVAC) together represent over 90% of the energy consumption in our stores and represent significant efficiency target areas.

Goal

Retrofit all store light fixtures and exterior neon signage to LED lighting

In progress



45% of the chain is equipped with interior LED lighting.

Energy-efficient LED lighting

We committed several years ago to systematically eliminating the use of ballasts and to prioritize the use of more energy-efficient LED lighting in all of our stores across Canada. Since 2016, ballast-less fixtures and LED technology are standard specifications for all new stores, for store relocations and when major renovations are made to existing stores. We also have an ongoing multi-year retrofit program aimed at gradually upgrading all stores opened prior to 2017 to LED lighting even if they do not require other renovations. 280 stores were retrofitted in 2019 and 2020. We expect to retrofit an additional 250 existing stores

in 2021. To date, nearly 45% of the chain is equipped with interior LED lighting.

LED fixtures are also a standard specification for our iconic exterior store signs. We expect all exterior neon store signs controlled and managed by Dollarama across Canada to have been upgraded to LED by the end of 2021.

Optimizing in-store heating and energy management

HVAC represent 50% of energy consumption in stores and we have been actively working on finding ways to better manage and optimize our energy use.

In 2019, we undertook a project to upgrade existing energy management systems to benefit from the latest technologies in order to improve our visibility and control, and ultimately to lower our energy consumption. Such systems help extend the lifespan of various HVAC equipment and enable us to curb energy use when least required. We began by targeting stores where HVAC systems are not landlord-controlled and for which we are responsible, which represent about 50% of our total footprint. We consulted subject-matter experts in order to find the best solution to achieve tangible improvements in our energy consumption and costs.

We began to roll-out our new energy management systems in early 2020. By the end of the year, over 250 stores had been upgraded and we expect to complete the roll-out of this system to eligible stores by mid-2021. A reduction

→ GREEN MEANS GLOW!

Many years ago, the National Building Code of Canada began to move away from the traditional red colored exit signs that say 'Exit' or 'Sortie', in favour of green exit signs, which use the international 'Running Man' pictogram, a change that is increasingly reflected across our operations. Importantly, no matter the colour of an exit sign, it must remain visible at all times – especially when the lights go out. Dollarama's Store Maintenance team has been running a pilot program with a sign that does not require batteries, electricity or lightbulbs to illuminate – it simply glows in the dark! With 6 to 7 of these 'Running Man' signs in each of our 1,356 stores and counting, the impact would not be negligible. To illustrate, converting signs in 1,400 stores would result in a 72 tonne reduction of GHG emissions – demonstrating that when it comes to improving our energy efficiency, every idea is worth exploring!



of between 15% and 25% of our total in-store energy consumption is anticipated in all locations where we have installed HVAC controls.

Based on the expected effectiveness of this initiative, we have increased its scope to include exterior signage controls in addition to HVAC where applicable. We are also evaluating the implementation of HVAC controls or an equivalent technology in stores where HVAC is landlord-controlled.

Goals

Upgrade in-store energy management systems across the network to increase energy efficiency

In progress



Installation of new energy management system completed in over 250 stores where Dollarama controls HVAC. Remaining stores to be converted in 2021.

Upgrade energy management systems in landlord-controlled stores

New





EFFICIENT WAREHOUSING AND DISTRIBUTION

Lighting and HVAC needs represent a significant portion of the energy consumption in our warehousing and distribution facilities. Additional energy is also consumed to power mechanical equipment such as conveyors and mobile logistics fleet charging stations.

As we build, expand or renovate facilities, we invest to improve energy performance and efficiency, while ensuring that we provide employees with a bright, clean and consistently temperate work environment. In 2018, we completed the expansion of our distribution centre using the same sustainable energy principles as for our 500,000-square foot warehouse construction project completed in 2016, and our head office built in 2007.

In all cases, we followed many of the guidelines of the Leadership in Energy & Environmental Design (LEED) assessment system, to optimize energy efficiency and indoor environmental quality.

When expanding our distribution centre, we also made energy efficiency upgrades to the existing portion of the facility, including to heating and ventilation systems, in addition to the installation of LED fixtures in both the new and existing portions of the facility.

Our newest and largest warehouse, built in 2016, is fully equipped with LED lighting, energy saving motion sensors and radiant heating. We utilize state-of-the-art destratification fans to control air quality and ambient temperature. Regarding water management, electronic controls

limit consumption within the building and the site uses a water retention system to capture rainwater as well as an artesian well to source groundwater for its irrigation system.

Since 2020, Dollarama has completed the conversion of all of its logistics operations (warehouses and distribution centre) to LED lighting to further reduce energy consumption.

The forklift and transpallet fleet across our warehousing operations uses opportunity charging, a system that enables increased flexibility for charging, resulting in higher productivity and longer lifespan of batteries. Started in 2016, over 65% of the fleet is now utilizing this more efficient method.

Goal

Convert all warehouses and the distribution centre to LED lighting

Achieved



All logistics facilities equipped with LED lighting since 2020.

Minimizing reliance on highway transportation

Merchandise moves daily from our vendors' facilities to our warehouses, distribution centre and stores across Canada. Imported merchandise primarily arrives through the Port of Vancouver, and we ship products by rail to our centralized logistics operations in the Montreal area prior to redistributing across our store network.



Our objective is to favour rail wherever possible in order to limit our reliance on long haul truck transportation, which has resulted in a significant reduction in the GHG emissions produced by our third-party transportation partners over the years. Today, nearly all merchandise that is shipped over long distances from Montreal to other major city centres west of Ontario and beyond, and to select Maritimes locations, moves by rail. From these terminals, merchandise is then delivered by fuel-saving optimized truck routes to area stores. For illustration purposes, a single unit train keeps more than 300 trucks off public roads and is four times more fuel-efficient than trucking. By this measure, the use of rail resulted in the elimination of over 8,600 trailer-truck movements by Dollarama in 2020.

We also work closely with rail carriers to optimize the use of containers to ensure that they do not travel empty. As containers from the West coast are emptied in Montreal, we ensure that a maximum of these same containers are returned full with new merchandise ready for re-distribution to our stores.



SUCCESSFUL REUSE

Reuse and waste reduction are deeply rooted in our operations since inception. Every day, we divert waste from going to landfill by finding appropriate uses for existing materials. For example, we reuse cardboard boxes to transport products to our stores as well as to fulfill online orders, avoiding the purchase of new packaging for our operations.

This same 'reuse' principle applies to wooden pallets in our warehouses and distribution centre for the shipment of merchandise to individual stores. In 2020, we continued to prioritize reusing and repairing pallets to minimize new pallet purchases. We also purchase recycled pallets through third-party providers to avoid introducing new pallets into the system as much as possible.

INCREASING RECYCLING AND WASTE DIVERSION RATES

Increasing cardboard and plastic recycling is an ongoing priority across our operations. With the support of third-party service providers, we continue to develop new initiatives aimed at reducing waste, maximizing the reuse of material and recycling more within our facilities.

Diversion rates

Metric tons unless otherwise indicated

Calendar
2019

31,391

Total diverted
from stores

1,410

Total diverted
from logistics
operations

87,404

Landfill
reduction in
cubic yards

Calendar
2020

34,057

Total diverted
from stores

1,872

Total diverted
from logistics
operations

98,674

Landfill
reduction in
cubic yards

Our distribution centre and warehouses are equipped with compacting and dual baler technology and we are gradually rolling out cardboard and plastic dual balers in stores. In 2019, we installed 60 balers in stores, bringing the total number of stores with this technology to nearly 260. The changing dynamics in the global recycling industry impacted the return on investment of this project resulting in a moderation in the annual installation rate of dual balers in stores to approximately 10 in 2020. We are also focusing on improving the efficiency of recycling collection across our store network to find ways to consolidate collection and maximize incentives for third-party bale and pallet collectors.

Our back store operations are constantly adapting to recycling streams in different municipalities across Canada. This includes the implementation of various plastic, aluminum, as well as organics recycling streams.

Note that unlike grocery stores and retailers that stock short-shelf life or refrigerated products, our commercial food waste is minimal due to the nature of the products we sell and their high turnover rate.

A CONTINUED FOCUS ON DATA PRIVACY AND CYBERSECURITY

Information technology systems are fundamental for the efficient functioning of our operations and we take cyber and data security very seriously. Dollarama is absolutely committed to maintaining the privacy and security of its customers' personal data as well as its own proprietary information. Our robust information technology department and dedicated cybersecurity team, with the support of third-party experts, continue to work daily to ensure the integrity of our IT infrastructure and systems.

Our annual investment and focus on systems integrity is commensurate with the mission critical nature of this infrastructure, the importance of which only resonated further as the COVID-19 pandemic forced an important proportion of our corporate office employees to work from home. To date, Dollarama has never experienced a data breach resulting in the disclosure of personally identifiable

information or material and proprietary corporate information.

We do not store customer data such as cardholder information and other personally identifiable information on our in-store systems. For online sales, we record certain personally identifiable information through our transactional website, such as names and addresses. Payment card information is not stored by Dollarama and is handled by third-party processors. The same applies to our recently launched mobile application.



At the corporate level, we collect and maintain proprietary and confidential information related to our business and affairs, including our suppliers and employees. This data is stored and processed both at onsite facilities and at third-party facilities. The COVID-19 pandemic tested our IT infrastructure, providing comfort in its robustness and opportunity for enhancements. One area of focus in the last two years has been raising awareness among employees and suppliers regarding cybersecurity threats such as social engineering and phishing. We also ensure that our cybersecurity and related business continuity plans remain adequate and tested via crisis simulations.

ABOUT THIS REPORT

In our 2021 ESG Report, we provide a comprehensive overview of our approach to ESG issues, which are both relevant to our business and our stakeholders, and we have aligned our reporting with the SASB Standards relevant to our industry sectors. We also provide an update on our progress since our last issued report, and have introduced new, measurable goals. Goal tracking and our SASB Index can be found in the 'ESG Appendices' section of this report.

While this report provides readers with a comprehensive overview of a variety of ESG issues relevant to Dollarama, as a publicly-traded Canadian company, any issues deemed material to our business are addressed in our continuous disclosure documents. These are available at www.sedar.com under our company profile and in the Investor Relations section of our corporate website at www.dollarama.com. As such, this report should be read in conjunction with our regulatory filings.

The data contained in this report and in the SASB Index covers all areas of our business that are 100% owned and operated, and reflect the most current annual data available. Dollarama also has a 50.1% equity interest in Latin American value retailer Dollarcity. While reference is made to Dollarcity in this report, its activities and operations are not included in the non-financial data disclosed in this report or in the SASB Index.

References to a specific year are meant to designate the corresponding Dollarama fiscal year. For example, reference to 2020 refers to the 12-month fiscal period beginning February 2, 2020 and ending January 31, 2021 as designated in our regulatory filings as Fiscal 2021. With the exception of financial information from our annual audited financial statements, the data contained in this report is unaudited.

Please note that certain images used in this report were taken before COVID-19 health and safety measures were implemented across our operations or at different times during the COVID-19 pandemic. As a result, they may not reflect public health measures in place at the time of publication of this report.



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TRACKING OUR GOALS AND INITIATIVES

 Achieved
 In progress
 New

PRIORITY ISSUE	GOAL	STATUS	COMMENTS
OUR PEOPLE			
Talent attraction, development and retention	Increase promotions from store level to field management via DMiT program	● ● ●	Enrollment in DMiT program more than doubled since inception, with half of candidates promoted to DM positions since 2018.
	Complete roll-out of GPS training in stores in 2021	● ● ○	
	Training application program for store associates to be developed and launched by 2022	● ○ ○	
Health and safety	Revamp and launch new Employee Assistance Program	● ● ●	Revamp completed in 2019; Rolled out on an ad-hoc basis throughout the pandemic in 2020, formal launch company-wide in 2021.
	Reduce frequency and severity of lost-time injuries	● ● ○	
Fair labour practices / Diversity and inclusion	Maintain 30% female gender diversity on Board of Directors	● ● ●	33% of our directors will be women following the 2021 Annual General Meeting of Shareholders.
	Launch revamped and more comprehensive Code of Conduct and Ethics applicable to directors, management and all employees in 2022	● ○ ○	
OUR PRODUCTS			
Product safety and quality	Restructuring of compliance program to increase efficiencies and oversight over product and vendor compliance	● ● ●	New director of compliance hired in 2019, supported by a growing team of dedicated product compliance specialists.
	Increase access to recall information for consumers	● ● ●	Recall information is systematically posted to Dollarama's website since the end of 2019.
	Increase number and frequency of product testing on toys	● ● ●	Product testing has doubled since 2019.
	Eliminate the risk of short-chain chlorinated paraffins (SCCPs) presence in plastic products by requiring that manufacturers adopt alternative materials and techniques when possible, to minimize the environmental impact of our plastics products	● ○ ○	

TRACKING OUR GOALS AND INITIATIVES (CONT'D)

Achieved
 In progress
 New

PRIORITY ISSUE	GOAL	STATUS	COMMENTS
Product safety and quality (Cont'd)	Align Dollarama and Dollarcity compliance programs so that products systematically satisfy requirements in all distribution markets		
	Implement additional targeted product testing programs in line with Health Canada's ongoing consumer product surveillance		
Product packaging and lifecycle management	Ensure that all private-label product packaging made of recyclable materials is clearly labelled		
OUR SUPPLY CHAIN			
Responsible sourcing	Comprehensive update of Vendor Code		Enhanced Vendor Code required for all new purchase orders effective June 2021. All existing vendors expected to confirm compliance with new Vendor Code by October 2021.
	Roll-out of equivalent Vendor Code to Dollarcity direct suppliers by 2023		
Fair labour practices / Human rights	Roll out Social Audit Program developed in 2019		Social Audit Program roll-out began in late calendar 2019 as planned, but COVID-19 interrupted the pace of third-party audits in 2020. Audits resumed in early 2021.
	Ensure that required Tier 1 manufacturers are the subject of accredited social audits at minimum every three years		
	Enhance disclosure on Tier 1 manufacturer social audit performance		

TRACKING OUR GOALS AND INITIATIVES (CONT'D)

●●● Achieved
●●○ In progress
●○○ New

PRIORITY ISSUE	GOAL	STATUS	COMMENTS
OUR OPERATIONS			
Climate change	Enhance visibility and measurement capability of Scope 3 emissions	●○○	
	Develop TCFD alignment roadmap	●○○	
Energy management			
	Convert all warehouses and the distribution centre to LED lighting	●●●	All logistics facilities equipped with LED lighting since 2020.
	Retrofit all store light fixtures and exterior neon signage to LED lighting	●●○	45% of the chain is equipped with interior LED lighting.
	Upgrade in-store energy management systems across the network to increase energy efficiency	●●○	Installation of new energy management system completed in over 250 stores where Dollarama controls HVAC. Remaining stores to be converted in 2021.
	Upgrade energy management systems in landlord-controlled stores	●○○	



SASB INDEX

This report has been prepared in alignment with the Multiline and Specialty Retailers & Distributors industry standard, which SASB has identified as Dollarama's primary Sustainable Industry Classification System® (SICS®) industry, as well as select indicators from other SASB standards relevant to our business (Food Retailers & Distributors; Toys & Sporting Goods; Household & Personal Products; Apparel, Accessories & Footwear; and Drug Retailers). All data provided pertains to Dollarama's business as a whole and not to a particular sector of activity or product category, and excludes Dollarcity. Information provided is for the fiscal year ended January 31, 2021 ("2020") unless otherwise indicated. In some cases, indicators have been included in this index but the information has not yet been aggregated or quantified or is not disclosed by Dollarama at this time. Indicators suggested by a given standard not deemed applicable were excluded. Dollarama is committed to continuing to improve the quality of its ESG disclosure.

TOPIC	ACCOUNTING METRIC	CATEGORY	CODE	DOLLARAMA DATA	SOURCE/MORE INFORMATION
MULTILINE AND SPECIALITY RETAILERS & DISTRIBUTORS					
Energy Management in Retail & Distribution	(1) Total energy consumed (2) Percentage grid electricity (3) Percentage renewable	Quantitative	CG-MR-130a.1	(1) 85,586 metric tons of CO ₂ e At this time, this information is not calculated in gigajoules. (2) 36% (3) This information has not been aggregated or quantified by Dollarama at this time.	Sources of GHG emissions, p. 27
Data Security	Description of approach to identifying and addressing data security risks	Discussion and Analysis	CG-MR-230a.1		A continued focus on data privacy and cybersecurity, p. 30
Data Security	(1) Number of data breaches (2) Percentage involving personally identifiable information (PII) (3) Number of customers affected	Quantitative	CG-MR-230a.2	(1) In 2019 and 2020, Dollarama did not experience any material breaches of its data. (2) 0% (3) None	A continued focus on data privacy and cybersecurity, p. 30
Labor Practices	(1) Average hourly wage of in-store, warehouse and distribution centre employees by region (2) Percentage of in-store, warehouse and distribution centre employees earning minimum wage by region	Quantitative	CG-MR-310a.1	(1) Store employees: \$15.08 per hour (excluding premiums and benefits) Logistics employees (i.e. warehouse and distribution centre employees): \$22.60 per hour (excluding premiums and benefits) (2) Store employees: 39% Logistics employees: 0%	Attracting and retaining the best talent, p. 9
Labor Practices	(1) Voluntary turnover rate for in-store employees (2) Involuntary turnover rate for in-store employees	Quantitative	CG-MR-310a.2	(1) This information is not disclosed by Dollarama. (2) This information is not disclosed by Dollarama.	Committed to being a responsible retailer and building a sustainable business, p. 3 Attracting and retaining the best talent, p. 8

SASB INDEX (CONT'D)

TOPIC	ACCOUNTING METRIC	CATEGORY	CODE	DOLLARAMA DATA	SOURCE/MORE INFORMATION
Labor Practices	Total amount of monetary losses as a result of legal proceedings associated with labor law violations	Quantitative	CG-MR-310a.3	This information is not disclosed by Dollarama.	
Workforce Diversity & Inclusion	Percentage of gender and racial/ethnic group representation for [1] management and [2] all other employees	Quantitative	CG-MR-330a.1	(1) Management: 40% Women 60% Men For the purposes of this SASB Index, Dollarama has defined "management" as its executive officers, senior vice-presidents, vice-presidents, senior directors, directors, regional district managers and district managers. The gender representation disclosure provided on p. 13 reflects a broader definition of "management" than described above. (2) All other employees: 75% Women 25% Men Racial/ethnic group representation among both management and all other employees has not been aggregated or quantified by Dollarama at this time.	A diverse and inclusive workplace, p. 13
Workforce Diversity & Inclusion	Total amount of monetary losses as a result of legal proceedings associated with employment discrimination	Quantitative	CG-MR-330a.2	This information is not disclosed by Dollarama.	
Product Sourcing, Packaging & Marketing	Revenue from products third-party certified to environmental and/or social sustainability standards	Quantitative	CG-MR-410a.1	This information is not disclosed by Dollarama.	
Product Sourcing, Packaging & Marketing	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	Discussion and Analysis	CG-MR-410a.2		A risk-based approach to safety and quality monitoring, p. 17
Product Sourcing, Packaging & Marketing	Discussion of strategies to reduce the environmental impact of packaging	Discussion and Analysis	CG-MR-410a.3		Product packaging and product lifecycle management, p. 19 Increasing recycling and waste diversion rates, p. 30

SASB INDEX (CONT'D)

TOPIC	ACCOUNTING METRIC	CATEGORY	CODE	DOLLARAMA DATA	SOURCE/MORE INFORMATION
FOOD RETAILERS & DISTRIBUTORS					
Food Safety	(1) Number of recalls (2) Number of units recalled (3) Percentage of units recalled that are private-label products	Quantitative	FB-FR-250a.2	(1) 2019: None 2020: 1 (2) 2019: None 2020: 23,299 units (3) 2019: There were no food recalls in 2019. 2020: 0%	Robust product recall procedures and safeguards, pp. 18-19
Product Labeling & Marketing	Number of incidents of non-compliance with industry or regulatory labeling and/or marketing codes	Quantitative	FB-FR-270a.1	2019: None resulting in a recall 2020: 1 incident resulting in a recall	Robust product recall procedures and safeguards, pp. 18-19 Recalls, p. 19
Product Labeling & Marketing	Total amount of monetary losses as a result of legal proceedings associated with marketing and/or labeling practices	Quantitative	FB-FR-270a.2	This information is not disclosed by Dollarama.	
Labor Practices	Percentage of active workforce covered under collective bargaining agreements	Quantitative	FB-FR-310a.2	0%	2021 Annual Information Form, p. 17
Management of Environmental & Social Impacts in the Supply Chain	Discussion of strategy to manage environmental and social risks within the supply chain	Discussion and Analysis	FB-FR-430a.3		Responsible sourcing, p. 22 Safeguarding human rights, pp. 23-24 A focused social audit program, p. 24 Environmental responsibility, p. 25
TOYS & SPORTING GOODS					
Chemical & Safety Hazards of Products	Number of (1) recalls Number of (2) total units recalled	Quantitative	CG-TS-250a.1	(1) 2019: 1 2020: None (2) 2019: 3,825 units 2020: There were no toy recalls in 2020.	Robust product recall procedures and safeguards, pp. 18-19 Recalls, p. 19
Chemical & Safety Hazards of Products	Total amount of monetary losses as a result of legal proceedings associated with product safety	Quantitative	CG-TS-250a.3	This information is not disclosed by Dollarama.	
Chemical & Safety Hazards of Products	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	Discussion and Analysis	CG-TS-250a.4		A risk-based approach to safety and quality monitoring, p. 17

SASB INDEX (CONT'D)

TOPIC	ACCOUNTING METRIC	CATEGORY	CODE	DOLLARAMA DATA	SOURCE/MORE INFORMATION
HOUSEHOLD & PERSONAL PRODUCTS					
Packaging Lifecycle Management	(1) Total weight of packaging (2) Percentage of packaging made from recycled and/or renewable materials (3) Percentage of packaging that is recyclable, reusable, and/or compostable	Quantitative	CG-HP-410a.1	(1) This data is currently calculated only in certain provinces in the context of our participation in stewardship programs. (2) This information has not been aggregated or quantified by Dollarama at this time. (3) This data is currently calculated only in certain provinces in the context of our participation in stewardship programs.	Product packaging and product lifecycle management, pp. 19-20 Participation in stewardship programs, p. 20 Increasing recycling and waste diversion rates, p. 30
APPAREL, ACCESSORIES & FOOTWEAR					
Labor Conditions in the Supply Chain	(1) Percentage of Tier 1 supplier facilities that have been audited to a labor code of conduct (2) Percentage of supplier facilities beyond Tier 1 that have been audited to a labor code of conduct (3) Percentage of total audits conducted by a third-party auditor	Quantitative	CG-AA-430b.1	Dollarama's classification system currently identifies all vendors from whom it procures goods directly – manufacturers and intermediaries – as Tier 1 vendors. Dollarama is currently in the process of segmenting manufacturers and intermediaries in order to focus its Social Audit Program on Tier 1 manufacturers. In 2019 and 2020, 152 audit reports produced by third-party auditors were received and reviewed by Dollarama.	A focused social audit program, p. 24
Labor Conditions in the Supply Chain	Priority non-conformance rate and associated corrective action rate for suppliers' labor code of conduct audits	Quantitative	CG-AA-430b.2	Further to a third-party social audit conducted at the end of 2020, Dollarama ended its commercial relationship with a supplier at the beginning of 2021 as a result of the inability of the supplier to execute a corrective action plan within the requested timeframe.	
Labor Conditions in the Supply Chain	(1) Description of the greatest labor risks in the supply chain (2) Description of the greatest environmental, health, and safety risks in the supply chain	Discussion and Analysis	CG-AA-430b.3		Responsible sourcing, p. 22 Safeguarding human rights, pp. 23-24 A focused social audit program, pp. 24-25 Environmental responsibility, p. 25

SASB INDEX (CONT'D)

TOPIC	ACCOUNTING METRIC	CATEGORY	CODE	DOLLARAMA DATA	SOURCE/MORE INFORMATION
DRUG RETAILERS					
Drug Supply Chain Integrity	(1) Number of drug recalls issued (2) Total units recalled (3) Percentage for private-label products	Quantitative	HC-DR-250a.2	(1) 2019: 1 drug recall 2020: 1 natural health product recall (2) 2019: Quantities recalled not representative 2020: 11,740 units (3) 2019: 100% 2020: 0%	Robust product recall procedures and safeguards, pp. 18-19 Recalls, p. 19
ACTIVITY METRIC					
MULTILINE AND SPECIALITY RETAILERS & DISTRIBUTORS					
Number of: (1) retail locations and (2) distribution centres	Quantitative	CG-MR-000.A		(1) 1,356 retail locations (2) 6 warehouses and 1 distribution centre	Providing affordable, everyday essentials and more, p. 2 2021 Annual Information Form, pp. 3, 9, 15 and 16
Total area of: (1) retail space and (2) distribution centres	Quantitative	CG-MR-000.B		(1) Retail space: 14,000,779 square feet (2) Warehouses: 1,668,230 square feet Distribution centre: 495,686 square feet	Providing affordable, everyday essentials and more, p. 2 2021 Annual Information Form, p. 15
APPAREL, ACCESSORIES & FOOTWEAR					
Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1	Quantitative	CG-AA-000.A		Dollarama's classification system currently identifies all vendors from whom it procures goods directly – manufacturers and intermediaries – as Tier 1 vendors. Dollarama is currently in the process of segmenting manufacturers and intermediaries in order to focus its Social Audit Program on Tier 1 manufacturers.	Safeguarding human rights, pp. 23-24

FORWARD-LOOKING INFORMATION

This report contains certain forward-looking statements about our current and future plans, expectations, intentions, results, levels of activity, performance, goals or achievements or other future events or developments. Forward-looking statements are based on information currently available to management and on estimates and assumptions made based on factors that management believes are appropriate and reasonable in the circumstances. However, there can be no assurance that such estimates and assumptions will prove to be correct. Many factors could cause actual results, levels of activity, performance, achievements, future events or developments to differ materially from those expressed or implied by the forward-looking statements.

These factors include the inability to sustain our assortment and the replenishment of merchandise, the increase in the cost or a disruption in the flow of imported goods, the failure to maintain brand image and reputation, the market acceptance of private brands, the competition in the retail industry, general economic conditions, the departure of senior executives, the failure to attract and retain quality employees, the disruption in information technology systems, the inability to protect systems against cyber-attacks, adverse weather, pandemic or epidemic outbreaks, earthquakes and other natural disasters, climate change, geopolitical events and political unrest in foreign countries, product liability claims and product recalls, litigation, regulatory and environmental compliance, and shareholder activism. This is not a complete list of the risk factors that could affect Dollarama; however, these factors should be considered carefully. For more exhaustive information on risk factors, please refer to Dollarama's Management's Discussion and Analysis (MD&A) for the year ended January 31, 2021, and to subsequent quarterly MD&As for changes and updates to these risk factors, if any. These documents are available at www.sedar.com and www.dollarama.com.

As a result, readers should not place undue reliance on forward-looking statements made in this report. Furthermore, unless otherwise stated, the forward-looking statements contained in this report are made as at the date of this report, and management has no intention and undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

