



**NOTICE OF ANNUAL  
MEETING OF SHAREHOLDERS  
AND  
MANAGEMENT PROXY CIRCULAR**

**June 13, 2019, Montreal, Québec**

**April 11, 2019**



## NOTICE OF 2019 ANNUAL MEETING OF SHAREHOLDERS AND NOTICE OF AVAILABILITY OF PROXY MATERIALS

**NOTICE IS HEREBY GIVEN** that the annual meeting of the shareholders (the “Meeting”) of Dollarama Inc. (the “Corporation”) will be held at Hotel Ruby Foo’s, 7655 Décarie Boulevard, Montreal, Québec on June 13, 2019 at 9:00 a.m. (Montreal time) for the following purposes:

- (1) to receive the consolidated financial statements of the Corporation for the fiscal year ended February 3, 2019, together with the auditor’s report thereon (see page 6 of the management proxy circular (the “Circular”));
- (2) to elect the nine (9) directors named in the Circular for the ensuing year (see page 6 of the Circular);
- (3) to appoint the auditor of the Corporation for the ensuing year and to authorize the directors to fix its remuneration (see page 7 of the Circular);
- (4) to consider an advisory non-binding resolution on the Corporation’s approach to executive compensation, as more particularly described in the Circular (see page 8 of the Circular);
- (5) to consider the shareholder proposals set forth in Schedule B of the Circular (see page 8 of the Circular); and
- (6) to transact such other business as may properly be brought before the Meeting or any adjournment thereof.

Additional information on matters to be put before the Meeting is set forth in the Circular.

Shareholders are entitled to receive notice and to vote at the Meeting if they were shareholders as at the close of business on the record date, being April 18, 2019.

**Regardless of whether or not shareholders are able to attend the Meeting (or any adjournment thereof) in person: (i) Non-Registered Holders (as defined in the Circular) are requested to complete, date, sign and return the voting instruction form in accordance with the instructions set out on such form, and (ii) Registered Holders (as defined in the Circular) are requested to complete, date and sign the form of proxy and to return it to Computershare Investor Services Inc. (“Computershare”) in the envelope accompanying the form of proxy or by facsimile to 1-866-249-7775, or alternatively to vote by telephone or over the Internet, at their discretion, in accordance with the instructions provided in the form of proxy. To be used at the Meeting, proxies must be received by 5:00 p.m. (Montreal time) two (2) business days prior to the Meeting, being June 11, 2019, or any adjournment thereof.**

This year, the Corporation is using the notice-and-access procedures permitted by Canadian securities laws for the delivery of the Circular, the management’s discussion and analysis, the consolidated financial statements of the Corporation and the auditor’s report for the fiscal year ended February 3, 2019, and other related materials of the Meeting (the “Proxy Materials”) to shareholders. Under the notice-and-access procedures, instead of receiving paper copies of the Proxy Materials, shareholders receive a copy of this notice of 2019 annual meeting of shareholders and notice of availability of proxy materials (the “Notice of Meeting”) (which provides information on how to access copies of the Proxy Materials, how to request a paper copy of the Proxy Materials and details about the Meeting) and a voting instruction form or a form of proxy.

**The Proxy Materials will be available online at [www.envisionreports.com/Dollarama2019](http://www.envisionreports.com/Dollarama2019) and on SEDAR under the Corporation’s profile at [www.sedar.com](http://www.sedar.com).**

If you would like to receive a paper copy of the Proxy Materials by mail, you must make a request. Requesting a paper copy is free of charge. You have received, with this Notice of Meeting, a voting instruction form or a form of proxy on which a 15-digit or 16-digit control number is indicated. Shareholders with a 15-digit control number, namely Registered Holders, may call Computershare toll

free at 1-866-962-0498 within North America or 1-514-982-8716 outside North America to request a paper copy of the Proxy Materials. Shareholders with a 16-digit control number, namely Non-Registered Holders, may call Broadridge Investor Communications Corporation ("Broadridge") toll free at 1-877-907-7643 within North America or 905-507-5450 outside North America to request a paper copy of the Proxy Materials. In each case, shareholders will be asked to enter the control number indicated on the voting instruction form or the form of proxy they received to request a paper copy of the Proxy Materials.

To receive the Proxy Materials in advance of the voting deadline and Meeting date, requests for paper copies must be received by no later than May 28, 2019. If you do request a paper copy of the Proxy Materials, please note that another voting instruction form or form of proxy will not be sent; please retain the one received with this Notice of Meeting for voting purposes.

To obtain a paper copy of the Proxy Materials after the Meeting date, Registered Holders may contact the Corporation's Investor Relations department at [corporatesecretary@dollarama.com](mailto:corporatesecretary@dollarama.com) and Non-Registered Holders may contact Broadridge toll free at 1-877-907-7643 within North America or 905-507-5450 outside North America.

For this year, shareholders with existing instructions on their account to receive printed materials will receive a paper copy of the Proxy Materials.

Shareholders are invited to attend the Meeting as there will be an opportunity to ask questions and meet with the directors and the management of the Corporation. The Corporation reminds shareholders to review all of the information contained in the Circular prior to voting.

If you have any questions regarding this Notice of Meeting, the notice-and-access procedures or the Meeting and you are a Registered Holder, please contact Computershare at 1-866-964-0492 (toll free in North America) between 8:30 a.m. and 8:00 p.m. Eastern Time or at 1-514-982-6253 (outside North America) or online at [www.investorcentre.com/service](http://www.investorcentre.com/service). If you are a Non-Registered Holder, please contact Broadridge at 1-855-887-2244.

Dated at Montreal, Québec, this 11<sup>th</sup> day of April 2019.

By order of the board of directors,



Josée Kouri  
Vice-President, Legal Affairs and Corporate Secretary



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## MANAGEMENT PROXY CIRCULAR

This management proxy circular (the “Circular”) is furnished by management of Dollarama Inc. (the “Corporation”) in connection with the solicitation of proxies for use at the annual meeting of shareholders (the “Meeting”) to be held on June 13, 2019 at 9:00 a.m. (Montreal time) at Hotel Ruby Foo’s, 7655 Décarie Boulevard, Montreal, Québec, or any adjournments thereof, for the purposes set forth in the notice of 2019 annual meeting of shareholders and notice of availability of proxy materials (the “Notice of Meeting”).

It is expected that the solicitation will be made primarily by mail and by Internet, but proxies may also be solicited by telephone, in writing or in person, by directors, officers or regular employees of the Corporation who will receive no compensation therefor in addition to their regular remuneration. **The solicitation of proxies is being made by or on behalf of management of the Corporation.** The cost of the solicitation is expected to be nominal and will be borne by the Corporation.

The board of directors of the Corporation (the “Board of Directors”) approved the contents of this Circular and authorized it to be made available to and/or sent, as applicable, to each shareholder of the Corporation who is eligible to receive notice of, and vote his or her shares at, the Meeting, as well as to the Corporation’s auditor and each of its directors.

Unless otherwise indicated, all information provided in this Circular is given as at April 11, 2019.

## VOTING INFORMATION

### Registered Shareholders

You are a registered shareholder (a “Registered Holder”) if your name appears on your share certificate. If you are not sure whether you are a Registered Holder, please contact Computershare Investor Services Inc. (“Computershare”) at 1-800-564-6253 or 514-982-7555. Each Registered Holder is entitled to one vote for each common share of the Corporation registered in his or her name as at the close of business on the record date (the “Record Date”). The directors of the Corporation have set April 18, 2019 as the Record Date.

If you are a Registered Holder, you may vote in person at the Meeting or vote by proxy, by 5:00 p.m. (Montreal time) on June 11, 2019 (or two (2) business days prior to any reconvened Meeting in the event of an adjournment of the Meeting), either by (i) completing, dating and signing the form of proxy and returning it to Computershare at its Toronto office at 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1 in the envelope accompanying the form of proxy or by facsimile to 1-866-249-7775, or (ii) voting over the Internet or by telephone, in accordance with the instructions provided in the form of proxy. Refer to the section entitled “Voting by Proxy for Registered Holders” for more information.

### Non-Registered Shareholders

You are a non-registered shareholder (a “Non-Registered Holder”) if your common shares are registered in the name of an intermediary, such as a bank, a trust company, a securities dealer or broker, or an administrator of a self-administered RRSP, RRIF, RESP or similar plan, that, in turn, holds those shares through a central depository such as the Canadian Depository for Securities Limited (CDS) (each an “Intermediary”).

Without specific instructions from Non-Registered Holders, Intermediaries are prohibited from voting the common shares registered in their name. Non-Registered Holders should ensure that instructions respecting the voting of their common shares are communicated to their respective Intermediary.

**Therefore, except as set forth herein, Non-Registered Holders cannot be recognized at the Meeting for purposes of voting their common shares in person or by way of proxy.**

Pursuant to National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*, each Intermediary is required to request voting instructions from Non-Registered Holders prior to shareholders meetings. Intermediaries have their own procedures for sending materials and their own guidelines for the return of documents. **Non-Registered Holders should strictly follow those instructions to ensure that the voting rights attached to their common shares are cast at the Meeting.**

If you are a Non-Registered Holder, in addition to the Notice of Meeting, you also received, depending on the Intermediary through which your common shares are held, either a voting instruction form or a form of proxy which has already been signed or stamped with a facsimile signature of the Intermediary and which is restricted as to the number of common shares beneficially owned by you. Non-Registered Holders who receive voting instruction forms, forms of proxy or other voting materials from an Intermediary should complete and return such materials in accordance with the instructions accompanying the materials in order to properly vote their common shares. In some cases, the completion of the voting instruction form or form of proxy by telephone, facsimile or over the Internet is permitted.

**If you are a Non-Registered Holder and wish to vote in person at the Meeting, you should carefully follow the instructions provided by your Intermediary, including those regarding when and where the proxy authorization form is to be delivered, in order to appoint yourself as proxyholder.**

## **VOTING IN PERSON**

If you attend the Meeting on June 13, 2019 and are a Registered Holder or a Non-Registered Holder who has duly appointed himself or herself as proxyholder, you may cast one vote for each of your common shares on any and all resolutions voted on by way of ballot at the Meeting. This may include the election of directors, the other matters listed on the Notice of Meeting and any other business that may arise at the Meeting. You may oppose any matter proposed at the Meeting by either withholding your vote from, or voting your common shares against, any resolution at the Meeting, depending on the specific resolution.

## **VOTING BY PROXY FOR REGISTERED HOLDERS**

The following instructions are for Registered Holders only. **If you are a Non-Registered Holder, please refer to the section entitled “Voting Information – Non-Registered Shareholders” and follow your Intermediary’s instructions on how to vote your common shares.**

If you are unable to attend the Meeting or if you do not wish to personally cast your votes, as a Registered Holder, you may still make your votes count by (i) voting over the Internet or by telephone, in accordance with the instructions provided in the form of proxy you received, or (ii) authorizing another person who will be at the Meeting to vote on your behalf. You may either tell that person how you want to vote or let him or her choose for you. This is called voting by proxy.

### **What Is a Proxy?**

In addition to the Notice of Meeting, you received a form of proxy, which is a document that you may sign in order to authorize another person to cast your votes for you at the Meeting. You may use the form of proxy to assign your votes to the persons named therein, Stephen Gunn or Neil Rossy, or to any other person of your choice.

### **Appointment of Proxies**

Your proxyholder is the person you appoint to cast your votes at the Meeting on your behalf. **You may choose Stephen Gunn or Neil Rossy or any other person that you want to be your proxyholder. Each shareholder is entitled to appoint a person other than the individuals named in the form of**

**proxy to represent such shareholder at the Meeting.** Please note that your proxyholder is not required to be a shareholder of the Corporation.

If you want to authorize Stephen Gunn or Neil Rossy as your proxyholder, please leave the box near the top of the form of proxy blank as the names of Stephen Gunn and Neil Rossy are already pre-printed on the form. If you want to authorize another person as your proxyholder, fill in that person's name in the blank box located near the top of the form of proxy.

**If you return the form of proxy to Computershare and have left the box for the proxyholder's name blank, then Stephen Gunn or Neil Rossy will automatically become your proxyholder.**

### **Depositing Proxies**

To be valid, the form of proxy must be filled out, correctly signed (exactly as your name appears on the form of proxy), and returned to Computershare at its Toronto office at 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1 in the envelope accompanying the form of proxy or by facsimile to 1-866-249-7775 by 5:00 p.m. (Montreal time) on June 11, 2019 (or two (2) business days prior to any reconvened Meeting in the event of an adjournment of the Meeting). Your proxyholder may then vote on your behalf at the Meeting.

You may instruct your proxyholder how you want to vote on the matters listed in the Notice of Meeting by checking the appropriate boxes on the form of proxy. If you have specified on the form of proxy how you want to vote on a particular issue (by checking FOR, AGAINST or WITHHOLD), then your proxyholder must cast your votes as instructed. By checking WITHHOLD on the form of proxy, where applicable, you will be abstaining from voting.

**If you have NOT specified how to vote on a particular matter, your proxyholder is entitled to vote your common shares as he or she sees fit. Please note that if your form of proxy does not specify how to vote on any particular matter and if you have authorized Stephen Gunn or Neil Rossy to act as your proxyholder (by leaving the box for the proxyholder's name blank on the form of proxy), your common shares will be voted at the Meeting as follows:**

- **FOR** the election of each of the management's nominees as directors of the Corporation;
- **FOR** the appointment of PricewaterhouseCoopers LLP as auditor of the Corporation and the authorization of the directors of the Corporation to fix its remuneration;
- **FOR** the adoption of the advisory non-binding resolution on the Corporation's approach to executive compensation (the "Say-on-Pay Advisory Resolution"); and
- **AGAINST** the shareholder proposals set out in Schedule B attached to this Circular.

For more information on these matters, please see the section entitled "Business of the Meeting" beginning on page 6 of this Circular. **The form of proxy also confers discretionary authority upon the persons named therein with respect to amendments to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting.** At the date of this Circular, management of the Corporation is not aware of any such amendments or other matters.

### **Revocation of Proxies**

If you want to revoke your proxy after you have signed and delivered it to Computershare, you may do so by delivering another properly executed form of proxy bearing a later date as set out above under the heading "Depositing Proxies" or by clearly indicating in writing that you want to revoke your proxy and delivering this written document to (i) the registered office of the Corporation at 5805 Royalmount Avenue, Montreal, Québec, H4P 0A1, Attention: Josée Kouri, Corporate Secretary, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, or (ii) the chair of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment thereof, or in any other way permitted by law.

If you revoke your proxy and do not replace it with another form of proxy that is deposited with Computershare on or before the deadline, set at 5:00 p.m. (Montreal time) on June 11, 2019 (or two

(2) business days prior to any reconvened Meeting in the event of an adjournment of the Meeting), you may still vote your own common shares in person at the Meeting provided that you are a Registered Holder whose name appears on the shareholders' register of the Corporation or a Non-Registered Holder who has duly appointed himself or herself as proxyholder.

## **NOTICE-AND-ACCESS**

This year, the Corporation is using the notice-and-access procedures permitted by Canadian securities laws for the delivery of the Circular, the management's discussion and analysis, the consolidated financial statements of the Corporation and the auditor's report for the fiscal year ended February 3, 2019, and other related materials of the Meeting (the "Proxy Materials") to shareholders. Under the notice-and-access procedures, instead of receiving paper copies of the Proxy Materials, shareholders receive the Notice of Meeting (which provides information on how to access the Proxy Materials, how to request a paper copy of the Proxy Materials and details about the Meeting) and a voting instruction form or a form of proxy.

**The Proxy Materials will be available online at [www.envisionreports.com/Dollarama2019](http://www.envisionreports.com/Dollarama2019) and on SEDAR under the Corporation's profile at [www.sedar.com](http://www.sedar.com).**

If you would like to receive a paper copy of the Proxy Materials by mail, you must make a request. Requesting a paper copy is free of charge. You have received, with the Notice of Meeting, a voting instruction form or a form of proxy on which a 15-digit or 16-digit control number is indicated. Shareholders with a 15-digit control number, namely Registered Holders, may call Computershare toll free at 1-866-962-0498 within North America or 1-514-982-8716 outside North America to request a paper copy of the Proxy Materials. Shareholders with a 16-digit control number, namely Non-Registered Holders, may call Broadridge Investor Communications Corporation ("Broadridge") toll free at 1-877-907-7643 within North America or 905-507-5450 outside North America to request a paper copy of the Proxy Materials. In each case, shareholders will be asked to enter the control number indicated on the voting instruction form or the form of proxy they received to request a paper copy of the Proxy Materials.

To receive the Proxy Materials in advance of the voting deadline and Meeting date, requests for paper copies must be received by no later than May 28, 2019. If you do request a paper copy of the Proxy Materials, please note that another voting instruction form or form of proxy will not be sent; please retain the one received with the Notice of Meeting for voting purposes.

To obtain a paper copy of the Proxy Materials after the Meeting date, Registered Holders may contact the Corporation's Investor Relations department at [corporatesecretary@dollarama.com](mailto:corporatesecretary@dollarama.com) and Non-Registered Holders may contact Broadridge toll free at 1-877-907-7643 within North America or 905-507-5450 outside North America.

For this year, shareholders with existing instructions on their account to receive printed materials will receive a paper copy of the Proxy Materials.

If you have any questions regarding the Notice of Meeting, the notice-and-access procedures or the Meeting and you are a Registered Holder, please contact Computershare at 1-866-964-0492 (toll free in North America) between 8:30 a.m. and 8:00 p.m. Eastern Time or at 1-514-982-6253 (outside North America) or online at [www.investorcentre.com/service](http://www.investorcentre.com/service). If you are a Non-Registered Holder, please contact Broadridge at 1-855-887-2244.

## **HOW A VOTE IS PASSED**

All matters that are scheduled to be voted upon at the Meeting are ordinary resolutions. Ordinary resolutions are passed by a simple majority, meaning that if more than half of the votes that are cast at the Meeting by proxy or in person are in favour, then the resolution passes.



## **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

No proposed nominee for election as a director of the Corporation, or any person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last fiscal year, nor any associate or affiliate of any such persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than as set forth herein.

## **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

As at April 11, 2019, there were 314,712,577 common shares issued and outstanding. Each common share carries the right to one vote on all matters to come before the Meeting.

Only persons registered as shareholders on the books of the Corporation as at the close of business on April 18, 2019, the Record Date, are entitled to receive notice of, and to vote at, the Meeting, and no person becoming a shareholder after the Record Date shall be entitled to receive notice of and to vote at the Meeting or any adjournment thereof.

To the knowledge of the directors and executive officers of the Corporation, based on the information publicly available as at April 11, 2019, no person beneficially owns, or controls or directs, directly or indirectly, 10% or more of the outstanding common shares.

## BUSINESS OF THE MEETING

Items to be covered at the Meeting are as follows:

- (1) Presentation before the shareholders of the consolidated financial statements of the Corporation for the fiscal year ended February 3, 2019, together with the auditor's report thereon;
- (2) Election of each of the nine (9) directors named in this Circular for the ensuing year;
- (3) Appointment of the auditor of the Corporation for the ensuing year and authorization of the directors to fix the auditor's remuneration;
- (4) Consideration of the Say-on-Pay Advisory Resolution;
- (5) Consideration of the shareholder proposals set out in Schedule B to this Circular; and
- (6) Consideration of such other business, if any, as may properly be brought before the Meeting or any adjournment thereof.

As at the date of this Circular, management of the Corporation is not aware of any changes to the items listed above, and does not expect any other items to be brought forward at the Meeting. If there are changes or new items, your proxyholder will be entitled to vote on those items as he or she sees fit.

## FINANCIAL STATEMENTS

The audited consolidated financial statements of the Corporation for the fiscal year ended February 3, 2019, together with the auditor's report thereon, will be submitted at the Meeting but no vote thereon is required. These audited consolidated financial statements, together with the management's discussion and analysis, were sent to shareholders who requested copies thereof with the Notice of Meeting and are also available on SEDAR under the Corporation's profile at [www.sedar.com](http://www.sedar.com), at [www.envisionreports.com/Dollarama2019](http://www.envisionreports.com/Dollarama2019) and on the Corporation's website at [www.dollarama.com](http://www.dollarama.com).

## ELECTION OF DIRECTORS

The nine (9) persons identified in the section entitled "Nominees for Election to the Board of Directors" will be nominated for election as directors at the Meeting. Each of them was elected at the annual meeting of shareholders of the Corporation held on June 7, 2018 by at least a majority of the votes cast by proxy or in person at such meeting. Each director will hold office until the close of the next annual meeting of shareholders or until a successor is elected or appointed. The directors are elected annually and, unless re-elected, retire from office at the close of the next annual meeting of shareholders.

**Unless a proxy specifies that the common shares it represents should be withheld from voting in respect of the election of one or more directors or voted in accordance with the specification in the proxy, the persons named in the form of proxy or voting instruction form, as applicable, intend to vote FOR the election of each of the nominees listed in this Circular.**

Management of the Corporation does not expect that any of the nominees will be unable or unavailable to serve as a director. However, if, for any reason, at the time of the Meeting, any of the nominees is unable or unavailable to serve, unless otherwise specified, it is intended that the persons designated in the form of proxy or voting instruction form, as applicable, will vote in their discretion for a substitute nominee or nominees.

On April 11, 2013, the Board of Directors adopted a majority voting policy (as amended in April 2015 and April 2017) providing that, in an uncontested election of directors, any nominee who receives a greater number of votes "withheld" than votes "for" in respect of his or her election will promptly tender his or her resignation following the meeting of shareholders. The nominating and governance committee of the Board of Directors (the "Nominating and Governance Committee") will then consider the tendered resignation and will make a recommendation to the Board of Directors. Absent exceptional circumstances,

the Board of Directors will follow the recommendation of the Nominating and Governance Committee and accept the resignation. A press release disclosing the Board of Directors' determination (and the reasons for rejecting the resignation, if applicable) shall be issued within 90 days following the date of the meeting of shareholders. The majority voting policy does not apply to the election of directors at contested meetings. A full description of the majority voting policy is included under the heading "Corporate Governance – Board of Directors – Majority Voting Policy", and a copy of the majority voting policy is available on the Corporation's website at [www.dollarama.com](http://www.dollarama.com).

## APPOINTMENT OF AUDITOR

At the Meeting, shareholders will be asked to appoint the firm of PricewaterhouseCoopers LLP to hold office as the Corporation's auditor until the close of the next annual meeting of shareholders and to authorize the Board of Directors to fix its remuneration.

PricewaterhouseCoopers LLP has served as auditor of the Corporation since February 1, 2007. It has informed management that it is independent with respect to the Corporation within the meaning of the Code of Ethics of the *Ordre des comptables professionnels agréés du Québec*.

**Unless a proxy specifies that the common shares it represents should be withheld from voting in respect of the appointment of the auditor or voted in accordance with the specification in the proxy, the persons named in the form of proxy or voting instruction form, as applicable, intend to vote FOR the appointment of PricewaterhouseCoopers LLP as auditor of the Corporation and the authorization of the directors of the Corporation to fix its remuneration.**

For the fiscal years ended February 3, 2019 and January 28, 2018, the Corporation was billed the following fees by its external auditor, PricewaterhouseCoopers LLP:

	<b>Fiscal year ended February 3, 2019</b>	<b>Fiscal year ended January 28, 2018</b>
Audit Fees <sup>(1)</sup>	\$587,750	\$581,306
Audit-Related Fees <sup>(2)</sup>	\$118,550	\$133,875
Tax Fees <sup>(3)</sup>	\$74,786	\$51,730
All Other Fees <sup>(4)</sup>	\$143,000	\$40,950
<b>Total Fees</b>	<b>\$924,086</b>	<b>\$807,861</b>

(1) "Audit Fees" include fees necessary to perform the annual audit of the consolidated financial statements.

(2) "Audit-Related Fees" include fees for assurance and related services that are reasonably related to the performance of the audit or review of the financial statements and are not reported under "Audit Fees". For each of the fiscal year ended February 3, 2019 and the fiscal year ended January 28, 2018, this category included fees related to the performance of required procedures in connection with offerings of senior unsecured notes as well as internal controls extended audit procedures.

(3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax advice, tax planning as well as assistance in connection with provincial and federal tax audits conducted in the normal course of business. Fees related to tax compliance and preparation were nil for the fiscal year ended February 3, 2019 and amounted to \$21,286 for the fiscal year ended January 28, 2018, whereas fees for tax advice and planning (including stewardship program compliance consulting) amounted to \$74,786 for the fiscal year ended February 3, 2019 and \$30,444 for the fiscal year ended January 28, 2018.

(4) "Other Fees" include fees for products and services provided by the external auditor other than those included above. For the fiscal year ended February 3, 2019, these fees included services related to compliance with payment card industry standards, assistance in re-evaluating the Corporation's enterprise risk management process and translation services. For the fiscal year ended January 28, 2018, this category represented primarily fees related to translation services.

Additional details with respect to the audit committee of the Board of Directors (the "Audit Committee") can be found in the section entitled "Audit Committee Information" of the Corporation's annual information form, available on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Corporation's website at [www.dollarama.com](http://www.dollarama.com).

## ADVISORY VOTE ON EXECUTIVE COMPENSATION

The Human Resources and Compensation Committee and the Board of Directors spend considerable time and effort overseeing the Corporation's executive compensation program, and are satisfied that the policies and programs in place are based on fundamental principles of pay-for-performance aimed at aligning the interests of the senior executive team with those of shareholders and reflecting competitive market practices. This compensation approach allows the Corporation to attract, retain and motivate high-performing executives who will be incented to increase business performance and enhance shareholder value on a sustainable basis.

The Board of Directors is also committed to maintaining an ongoing engagement process with the Corporation's shareholders by adopting effective measures to receive shareholder feedback. In this light, the Board of Directors wishes to offer Dollarama's shareholders the opportunity to cast at the Meeting, by proxy or in person, an advisory vote on the Corporation's approach to executive compensation, which is described in further details under the section "Compensation Discussion and Analysis" starting on page 25 of this Circular. As a result, at the Meeting, shareholders will be asked to consider and, if deemed appropriate, adopt the following Say-on-Pay Advisory Resolution:

**"BE IT RESOLVED**, on an advisory basis and not to diminish the role and responsibilities of the Board of Directors, that the shareholders of the Corporation accept the approach to executive compensation disclosed in the management proxy circular delivered in advance of the 2019 annual meeting of shareholders of the Corporation."

As this is an advisory vote, the results will not be binding upon the Board of Directors. However, the Human Resources and Compensation Committee and the Board of Directors will review and analyze the voting results and, as appropriate, take into account such results when reviewing executive compensation policies and programs in the future. Results of the vote will be disclosed in the report of voting results and related press release to be posted on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Corporation's website at [www.dollarama.com](http://www.dollarama.com) shortly after the Meeting.

**Unless a proxy specifies that the common shares it represents should be voted against the Say-on-Pay Advisory Resolution, the persons named in the form of proxy or voting instruction form, as applicable, intend to vote FOR the approval of the Say-on-Pay Advisory Resolution.**

## SHAREHOLDER PROPOSALS

The Corporation received a total of five shareholder proposals.

One proposal was submitted by the B.C. Government and Service Employees' Union General Fund and the B.C. Government and Service Employees' Union Defence Fund, holders of common shares of the Corporation having their principal office at 4911 Canada Way, Burnaby, British Columbia, V5G 3W3, Canada.

Another proposal was submitted by the Pension Plan of the United Church of Canada ("PPUCC"), a holder of common shares of the Corporation having its principal office at 3240 Bloor Street West, Suite 300, Toronto, Ontario, M8X 2Y4, Canada. For the purposes of this proposal, PPUCC elected to be represented by the Shareholder Association for Research and Education (SHARE).

Three proposals were submitted by the Mouvement d'éducation et de défense des actionnaires ("MÉDAC"), a holder of common shares of the Corporation having its principal office at 82 Sherbrooke Street West, Montreal, Québec, H2X 1X3, Canada. The proposals were submitted in French by MÉDAC and were translated into English by the Corporation. Following discussions with the Corporation, MÉDAC agreed to withdraw two of its proposals and only submit one of its proposals for consideration at the Meeting. MÉDAC nonetheless requested that the Corporation reproduce the withdrawn proposals in the Circular for information purposes.

The full text of the three proposals submitted for consideration at the Meeting, along with the two proposals withdrawn by MÉDAC, has been reproduced in Schedule B to this Circular, along with the Corporation's responses.

**The Board of Directors recommends that the shareholders vote AGAINST each of the three shareholder proposals for the reasons described in Schedule B to this Circular. Unless a proxy specifies that the common shares it represents should be voted for any of the shareholder proposals, the persons named in the form of proxy or voting instruction form, as applicable, intend to vote AGAINST each of the proposals.**

Shareholder proposals for the Corporation's 2020 annual meeting of shareholders must be received by the Corporation by 5:00 p.m. (Montreal time) on January 12, 2020. They must be sent in writing to the attention of the Corporate Secretary of the Corporation, Josée Kouri, by mail at 5805 Royalmount Avenue, Montreal, Québec, H4P 0A1, Canada.

## NOMINEES FOR ELECTION TO THE BOARD OF DIRECTORS

### DESCRIPTION OF PROPOSED DIRECTOR NOMINEES

Nine (9) director nominees will stand for re-election at the Meeting.

Directors are elected each year at the annual meeting of shareholders, except that the Board of Directors can appoint directors in certain circumstances between annual meetings. Directors elected at the meeting will hold office until the close of the next annual meeting of shareholders or until their successor is elected or appointed.

All nominees have established their eligibility and willingness to serve as directors. If prior to the Meeting, any of the listed nominees would become unable or unavailable to serve, proxies will be voted for any other nominee or nominees at the discretion of the proxyholder.

The following tables provide information about the proposed nominees for election as directors as at April 11, 2019, including their name, place of residence, age, independence from the Corporation, the date they became directors, their principal occupation, biography, committee memberships, attendance record, previous voting results, memberships on boards of other public companies during the last five years (if applicable) and total compensation received in their capacity as directors of the Corporation for each of the last two (2) fiscal years. Also indicated is the number of securities of the Corporation beneficially owned, or controlled or directed, directly or indirectly, by each director as at February 3, 2019, the total market value of such securities as at February 3, 2019 and each director's level of attainment of the Director Share Ownership Guidelines (as hereinafter defined) as at the date hereof. All numbers included in the following tables reflect the three-for-one share split of the Corporation's outstanding common shares implemented on June 20, 2018 (the "Share Split").

## JOSHUA BEKENSTEIN

Massachusetts, USA  
Age: 60

Director since 2004  
Independent

## Managing Director Bain Capital Partners, LP

Joshua Bekenstein is a member of the Board of Directors and a member of the Human Resources and Compensation Committee and the Nominating and Governance Committee. Mr. Bekenstein is a Managing Director at Bain Capital Partners, LP, a private asset management firm. Prior to joining Bain Capital Partners in 1984, Mr. Bekenstein spent several years at Bain & Company, Inc., where he was involved with companies in a variety of industries. Mr. Bekenstein serves as a director of Canada Goose Holdings Inc., BRP Inc., Bright Horizons Family Solutions Inc., and The Michaels Companies, Inc., and sits on the compensation committee of some of those corporations. Mr. Bekenstein received a Bachelor of Arts from Yale University and a Master of Business Administration (MBA) from Harvard Business School.

### 2018 Annual Meeting of Shareholders Voting Results

	%	#
For:	94.87	234,739,764
Withheld:	5.13	12,702,471

### Other Public Company Directorships in Past Five Years

Waters Corporation	1994 – 2017
Bright Horizons Family Solutions Inc.	2013 – present <sup>(1)</sup>
BRP Inc.	2013 – present <sup>(1)</sup>
Burlington Stores, Inc.	2013 – 2017
The Michaels Companies, Inc.	2014 – present <sup>(1)</sup>
Canada Goose Holdings Inc.	2013 – present <sup>(1)</sup>

### Board/Committee Memberships

	Attendance
Board of Directors	8/8 (100.0%)
Human Resources and Compensation	4/4 (100.0%)
Nominating and Governance	2/2 (100.0%)
<b>Total</b>	<b>14/14 (100.0%)</b>

### Value of Total Compensation Received as Director

Fiscal year ended February 3, 2019: \$152,000

Fiscal year ended January 28, 2018: \$124,000

### Securities Held as at February 3, 2019

Common Shares (#)	Common Shares <sup>(2)</sup> (\$)	Options Vested/Total (#)	Options <sup>(2)</sup> Vested Only (\$)	DSUs <sup>(3)</sup> Vested/Total (#)	DSU <sup>(3)(4)</sup> Vested Only (\$)	Total Value of Securities Held Vested Only (\$)
15,000	522,000	33,600 / 36,000	795,971	15,459 / 15,459	537,973	1,855,944

Total Ownership as Multiple of Retainer as at April 11, 2019<sup>(5)</sup>

(Target: 3x annual cash retainer): 43.4x

- (1) Bright Horizons Family Solutions Inc. is a public company since January 2013 but Mr. Bekenstein has been on the board of directors since 2008. BRP Inc. is a public company since May 2013 but Mr. Bekenstein has been on the board of directors since 2003. The Michaels Companies, Inc. is a public company since June 2014 but Mr. Bekenstein has been on the board of directors since 2006. Canada Goose Holdings Inc. is a public company since March 2017 but Mr. Bekenstein has been on the board of directors since 2013.
- (2) Based on the closing price of the common shares (\$34.80) on February 1, 2019, being the last trading day of the fiscal year ended February 3, 2019. Prior to the adoption of the DSU Plan (as hereinafter defined) in December 2014, option grants were made to non-executive directors under the Director Compensation Policy then in effect. See "Director Compensation".
- (3) Deferred share units ("DSUs") comprising the annual equity retainer, in the amount of \$75,000, vest on the first anniversary of the grant date whereas DSUs granted at the end of each quarter to non-executive directors who elected to receive the cash component of their compensation in DSUs in lieu of cash vest immediately upon being granted. This number of DSUs includes additional DSUs credited as dividend equivalents up to February 3, 2019.
- (4) The value of a DSU when redeemed for cash is equivalent to the volume weighted average trading price of the common shares of the Corporation on the Toronto Stock Exchange (the "TSX") for the five trading days immediately preceding the date of redemption. However, for the purposes of this Circular, the total value of vested DSUs is calculated based on the closing price of the common shares (\$34.80) on February 1, 2019, being the last trading day of the Corporation's fiscal year ended February 3, 2019.
- (5) Equity ownership was assessed as at April 11, 2019, based on the closing price of the common shares (\$38.81) on such date. For further details on the share ownership guidelines applicable to directors, see "Nominees for Election to the Board of Directors – Director Share Ownership Guidelines".

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**GREGORY DAVID**

Ontario, Canada  
Age: 51

Director since 2004  
Not independent<sup>(1)</sup>

**Chief Executive Officer  
GRI Capital Inc.**

Gregory David is a member of the Board of Directors. He is the Chief Executive Officer of GRI Capital Inc., a private investment management firm, and has been with such company and its affiliates since 2003. He is also a director of Roots Corporation since October 2017 and sits on its governance, compensation and nominating committee. From 2000 to 2003, Mr. David provided financial and strategic advisory services to private and public companies. Previously, he worked at Claridge Inc. from 1998 to 2000 and at McKinsey & Co. from 1996 to 1998. He has a Bachelor of Commerce Honours from Queen's University, a Bachelor of Civil Law and a Bachelor of Laws from McGill University and a Master of Business Administration with Distinction from Harvard Business School.

**2018 Annual Meeting of  
Shareholders Voting Results**

	%	#
For:	98.30	243,228,324
Withheld:	1.70	4,213,911

Other Public Company Directorships in Past Five Years
Roots Corporation 2017-present

Board/Committee Memberships	Attendance
Board of Directors	8/8 (100.0%)
<b>Total</b>	<b>8/8 (100.0%)</b>

**Value of Total Compensation Received as Director**

Fiscal year ended February 3, 2019: \$137,000

Fiscal year ended January 28, 2018: \$109,000

**Securities Held as at February 3, 2019**

Common Shares (#)	Common Shares (\$)	Options <i>Vested/Total</i> (#)	Options <sup>(2)</sup> <i>Vested Only</i> (\$)	DSUs <sup>(3)</sup> <i>Vested/Total</i> (#)	DSU <sup>(3)(4)</sup> <i>Vested Only</i> (\$)	Total Value of Securities Held <i>Vested Only</i> (\$)
—	—	69,600 / 72,000	1,885,131	10,292 / 10,292	358,162	2,243,292

Total Ownership as Multiple of Retainer as at April 11, 2019<sup>(5)</sup>  
(Target: 3x annual cash retainer): 52.4x

- 
- (1) Gregory David is not considered independent due to his relationship with Neil Rossy and other members of the current or former management. Mr. David is Chief Executive Officer of GRI Capital Inc., a private investment management firm controlled by the Rossy family.
  - (2) Based on the closing price of the common shares (\$34.80) on February 1, 2019, being the last trading day of the fiscal year ended February 3, 2019. Prior to the adoption of the DSU Plan in December 2014, option grants were made to non-executive directors under the Director Compensation Policy then in effect. See "Director Compensation".
  - (3) DSUs comprising the annual equity retainer, in the amount of \$75,000, vest on the first anniversary of the grant date whereas DSUs granted at the end of each quarter to non-executive directors who elected to receive the cash component of their compensation in DSUs in lieu of cash vest immediately upon being granted. This number of DSUs includes additional DSUs credited as dividend equivalents up to February 3, 2019.
  - (4) The value of a DSU when redeemed for cash is equivalent to the volume weighted average trading price of the common shares of the Corporation on the TSX for the five trading days immediately preceding the date of redemption. However, for the purposes of this Circular, the total value of vested DSUs is calculated based on the closing price of the common shares (\$34.80) on February 1, 2019, being the last trading day of the Corporation's fiscal year ended February 3, 2019.
  - (5) Equity ownership was assessed as at April 11, 2019, based on the closing price of the common shares (\$38.81) on such date. For further details on the share ownership guidelines applicable to directors, see "Nominees for Election to the Board of Directors – Director Share Ownership Guidelines".



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**ELISA D. GARCIA C.**

New York, USA  
Age: 61

Director since 2015  
Independent

**2018 Annual Meeting of  
Shareholders Voting Results**

	%	#
For:	99.70	246,687,756
Withheld:	0.30	754,479

**Other Public Company  
Directorships in Past Five Years**

—

**Chief Legal Officer  
Macy's, Inc.**

Elisa D. Garcia C. is a member of the Board of Directors and a member of the Nominating and Governance Committee. Ms. Garcia currently serves as Chief Legal Officer of Macy's, Inc. Prior to joining Macy's, Inc. in September 2016, she served as Executive Vice President and Chief Legal Officer of Office Depot, Inc., a leading global provider of products, services, and solutions for the workplace headquartered in Boca Raton, Florida. Prior to joining Office Depot, Inc. in 2007, she was Executive Vice President, General Counsel and Corporate Secretary for Domino's Pizza, Inc. Earlier in her career, she served as Latin American Regional Counsel for Philip Morris International and Corporate Counsel for GAF Corporation. She also serves on the board of the Institute for Inclusion in the Legal Profession and acts as an advisory board member for the Corporate Pro Bono Institute. Ms. Garcia is a graduate of the St. John's University School of Law, and also received a joint BA/MS in Political Science and Management and Policy Sciences from W. Averell Harriman College, State University of New York at Stony Brook.

**Board/Committee Memberships**

Board of Directors  
Nominating and Governance  
**Total**

**Attendance**

8/8 (100.0%)  
2/2 (100.0%)  
**10/10 (100.0%)**

**Value of Total Compensation Received as Director**

Fiscal year ended February 3, 2019: \$143,000

Fiscal year ended January 28, 2018: \$115,000

**Securities Held as at February 3, 2019**

Common Shares (#)	Common Shares (\$)	Options Vested/Total (#)	Options Vested Only (\$)	DSUs <sup>(1)</sup> Vested/Total (#)	DSU <sup>(1)(2)</sup> Vested Only (\$)	Total Value of Securities Held Vested Only (\$)
—	—	—	—	13,878 / 13,878	482,954	482,954

Total Ownership as Multiple of Retainer as at April 11, 2019<sup>(3)</sup>  
(Target: 3x annual cash retainer): 10.8x

- 
- (1) DSUs comprising the annual equity retainer, in the amount of \$75,000, vest on the first anniversary of the grant date whereas DSUs granted at the end of each quarter to non-executive directors who elected to receive the cash component of their compensation in DSUs in lieu of cash vest immediately upon being granted. This number of DSUs includes additional DSUs credited as dividend equivalents up to February 3, 2019.
- (2) The value of a DSU when redeemed for cash is equivalent to the volume weighted average trading price of the common shares of the Corporation on the TSX for the five trading days immediately preceding the date of redemption. However, for the purposes of this Circular, the total value of vested DSUs is calculated based on the closing price of the common shares (\$34.80) on February 1, 2019, being the last trading day of the Corporation's fiscal year ended February 3, 2019.
- (3) Equity ownership was assessed as at April 11, 2019, based on the closing price of the common shares (\$38.81) on such date. For further details on the share ownership guidelines applicable to directors, see "Nominees for Election to the Board of Directors – Director Share Ownership Guidelines".

## STEPHEN GUNN

Ontario, Canada  
Age: 64

Chairman since 2018  
Independent

## Corporate Director

Stephen Gunn is the Chairman of the Board of Directors since June 7, 2018. Before that date, he acted as the Lead Director of the Board of Directors since 2009. Mr. Gunn is also the Chair of the Nominating and Governance Committee and a member of both the Audit Committee and the Human Resources and Compensation Committee. In addition, Mr. Gunn is co-chair of the board of directors of Sleep Country Canada Holdings Inc. until May 7, 2019, the effective date of his announced retirement. He is also a director and member of the audit committee of Canada Goose Holdings Inc. and a director and chair of the audit committee of Recipe Unlimited Corporation (formerly Cara Operations Limited). Prior to November 2014, Mr. Gunn served as chief executive officer of Sleep Country Canada Inc., the Canadian mattress retailer he co-founded. He received a Bachelor of Applied Science in Electrical Engineering from Queen's University and a Master of Business Administration (MBA) from the University of Western Ontario.

### 2018 Annual Meeting of Shareholders Voting Results

	%	#
For:	96.52	238,838,340
Withheld:	3.48	8,603,895

### Other Public Company Directorships in Past Five Years

Recipe Unlimited Corporation	2015 – present <sup>(1)</sup>
Sleep Country Canada Holdings Inc.	2015 – present <sup>(1)</sup>
Canada Goose Holdings Inc.	2017 – present

### Board/Committee Memberships

	Attendance
Board of Directors (Chairman)	8/8 (100.0%)
Audit Committee	4/4 (100.0%)
Human Resources and Compensation	4/4 (100.0%)
Nominating and Governance (Chair)	2/2 (100.0%)
<b>Total</b>	<b>18/18 (100.0%)</b>

### Value of Total Compensation Received as Director

Fiscal year ended February 3, 2019: \$220,780<sup>(2)</sup>

Fiscal year ended January 28, 2018: \$158,000

### Securities Held as at February 3, 2019

Common Shares (#)	Common Shares <sup>(3)</sup> (\$)	Options Vested/Total (#)	Options <sup>(3)</sup> Vested Only (\$)	DSUs <sup>(4)</sup> Vested/Total (#)	DSU <sup>(4)(5)</sup> Vested Only (\$)	Total Value of Securities Held Vested Only (\$)
84,554	2,942,479	69,600 / 72,000	1,885,131	6,553 / 6,553	228,044	5,055,654

Total Ownership as Multiple of Retainer as at April 11, 2019<sup>(6)</sup>

(Target: 3x annual cash retainer): 115.2x

- (1) Recipe Unlimited Corporation (formerly Cara Operations Limited) is a public company since April 2015 but Mr. Gunn has been on the board of directors since 2013. Sleep Country Canada Holdings Inc. is a public company since July 2015 but Mr. Gunn has been on the board of directors since its inception. On April 2, 2019, Sleep Country Canada Holdings Inc. announced that Mr. Gunn will be retiring from the board of directors effective May 7, 2019.
- (2) Includes the Lead Director retainer (prorated from January 29, 2018 to June 6, 2018) and the Chairman retainer (prorated from June 7, 2018 to February 3, 2019).
- (3) Based on the closing price of the common shares (\$34.80) on February 1, 2019, being the last trading day of the fiscal year ended February 3, 2019. Prior to the adoption of the DSU Plan in December 2014, option grants were made to non-executive directors under the Director Compensation Policy then in effect. See "Director Compensation".
- (4) DSUs comprising the annual equity retainer, in the amount of \$75,000, vest on the first anniversary of the grant date whereas DSUs granted at the end of each quarter to non-executive directors who elected to receive the cash component of their compensation in DSUs in lieu of cash vest immediately upon being granted. This number of DSUs includes additional DSUs credited as dividend equivalents up to February 3, 2019.
- (5) The value of a DSU when redeemed for cash is equivalent to the volume weighted average trading price of the common shares of the Corporation on the TSX for the five trading days immediately preceding the date of redemption. However, for the purposes of this Circular, the total value of vested DSUs is calculated based on the closing price of the common shares (\$34.80) on February 1, 2019, being the last trading day of the Corporation's fiscal year ended February 3, 2019.
- (6) Equity ownership was assessed as at April 11, 2019, based on the closing price of the common shares (\$38.81) on such date. For further details on the share ownership guidelines applicable to directors, see "Nominees for Election to the Board of Directors – Director Share Ownership Guidelines".

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**KRISTIN MUGFORD**

Massachusetts, USA  
Age: 50

Director since 2018  
Independent

**2018 Annual Meeting of  
Shareholders Voting Results**

	%	#
For:	99.93	247,269,483
Withheld:	0.07	172,752

**Other Public Company  
Directorships in Past Five Years**

—

**Senior Lecturer  
Harvard Business School**

Kristin Williams Mugford is a member of the Board of Directors and a member of the Audit Committee since March 29, 2018. Ms. Mugford is currently the Melvin Tukman Senior Lecturer of Business Administration in the Finance Unit at the Harvard Business School. Prior to academia, she spent nearly 20 years with Bain Capital Partners, LP, joining their private equity business in 1994, where she focused on the consumer and media industries, before becoming the firm's first female managing director. In 1998, she helped start Bain Capital Credit, LP (formerly known as Sankaty Advisors, LP), the credit affiliate of Bain Capital Partners, LP, where she was a senior member of its management and investment committee. She began her career at the Walt Disney Company. Ms. Mugford is a member of the board of directors of Towne Park, a leading parking and hospitality services provider. She also sits on the boards of Fidelity Charitable, the largest donor-advised fund program and public charity in the United States, and New Profit, a national non-profit venture philanthropy fund. She graduated from Harvard Business School as a Baker Scholar and holds an AB with honors in economics from Harvard College.

**Board/Committee Memberships**

Board of Directors	6/6 (100.0%)
Audit	3/3 (100.0%)
<b>Total</b>	<b>9/9 (100.0%)</b>

**Value of Total Compensation Received as Director<sup>(2)</sup>**

Fiscal year ended February 3, 2019: \$131,000

Fiscal year ended January 28, 2018: N/A

**Securities Held as at February 3, 2019**

Common Shares (#)	Common Shares (\$)	Options Vested/Total (#)	Options Vested Only (\$)	DSUs <sup>(3)</sup> Vested/Total (#)	DSU <sup>(3)(4)</sup> Vested Only (\$)	Total Value of Securities Held Vested Only (\$)
—	—	—	—	2,863 / 2,863	99,632	99,632

Total Ownership as Multiple of Retainer as at April 11, 2019<sup>(5)</sup>  
(Target: 3x annual cash retainer): 2.2x

- 
- (1) Kristin Mugford was appointed as independent director and member of the Audit Committee effective March 29, 2018 and therefore was not present at the meetings that took place during the fiscal year ended February 3, 2019 prior to her appointment.
  - (2) Kristin Mugford was appointed as independent director and member of the Audit Committee effective March 29, 2018 and therefore did not receive any compensation from the Corporation for meetings that took place during the fiscal year ended February 3, 2019 prior to her appointment. She did not receive any compensation from the Corporation during the fiscal year ended January 28, 2018.
  - (3) DSUs comprising the annual equity retainer vest on the first anniversary of the grant date whereas DSUs granted at the end of each quarter to non-executive directors who elected to receive the cash component of their compensation in DSUs in lieu of cash vest immediately upon being granted. This number of DSUs includes additional DSUs credited as dividend equivalents up to February 3, 2019. For the fiscal year ended February 3, 2019, Kristin Mugford received a prorated amount of the annual equity retainer paid in DSUs (she received \$62,500 out of the \$75,000 retainer), as she was appointed to the Board of Directors on March 29, 2018.
  - (4) The value of a DSU when redeemed for cash is equivalent to the volume weighted average trading price of the common shares of the Corporation on the TSX for the five trading days immediately preceding the date of redemption. However, for the purposes of this Circular, the total value of vested DSUs is calculated based on the closing price of the common shares (\$34.80) on February 1, 2019, being the last trading day of the Corporation's fiscal year ended February 3, 2019.
  - (5) Kristin Mugford has until March 2023 to reach the required level of equity ownership. For further details on the share ownership guidelines applicable to directors, see "Nominees for Election to the Board of Directors – Director Share Ownership Guidelines".
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## NICHOLAS NOMICOS

Massachusetts, USA  
Age: 56

Director since 2004  
Independent

### 2018 Annual Meeting of Shareholders Voting Results

	%	#
For:	97.91	242,278,680
Withheld:	2.09	5,163,555

### Other Public Company Directorships in Past Five Years

BRP Inc.	2003 – 2015 <sup>(1)</sup>
	2016 – present <sup>(1)</sup>

## Managing Director Nonantum Capital Partners, LLC

Nicholas Nomicos is a member of the Board of Directors, a member of the Audit Committee, and the Chair of the Human Resources and Compensation Committee. He is a Managing Director of Nonantum Capital Partners, LLC, a middle market private equity firm that he founded with other executives in 2018. Mr. Nomicos is also a director and a member of the investment and risk committee of BRP Inc. since December 2016. He previously sat on BRP Inc.'s board of directors from 2003 to 2015. Until December 2016, Mr. Nomicos was Managing Director at Bain Capital Credit, LP (formerly known as Sankaty Advisors, LP), the credit affiliate of Bain Capital Partners, LP. Prior to 2011, he was an Operating Partner at Bain Capital Partners, LP where he worked since 1999 in a variety of investments in the manufacturing and consumer product sectors. Prior to joining Bain Capital Partners, LP, Mr. Nomicos was a senior corporate development and manufacturing executive at Oak Industries Inc., and he spent several years at Bain & Company where he was a Manager. Mr. Nomicos received a Bachelor of Science in Engineering from Princeton University and a Master of Business Administration (MBA) from Harvard Business School.

### Board/Committee Memberships

	Attendance
Board of Directors	8/8 (100.0%)
Audit Committee	4/4 (100.0%)
Human Resources and Compensation (Chair)	4/4 (100.0%)
<b>Total</b>	<b>16/16 (100.0%)</b>

### Value of Total Compensation Received as Director

Fiscal year ended February 3, 2019: \$166,500

Fiscal year ended January 28, 2018: \$125,000

### Securities Held as at February 3, 2019

Common Shares (#)	Common Shares (\$)	Options Vested/Total (#)	Options <sup>(2)</sup> Vested Only (\$)	DSUs <sup>(3)</sup> Vested/Total (#)	DSU <sup>(3)(4)</sup> Vested Only (\$)	Total Value of Securities Held Vested Only (\$)
—	—	33,600 / 36,000	795,971	15,251 / 15,251	530,735	1,326,706

Total Ownership as Multiple of Retainer as at April 11, 2019<sup>(5)</sup>  
(Target: 3x annual cash retainer): 31.6x

- (1) BRP Inc. is a public company since May 2013. Mr. Nomicos served a first term as director of BRP Inc. from 2003 to 2015, and was re-appointed to the board of directors in December 2016.
- (2) Based on the closing price of the common shares (\$34.80) on February 1, 2019, being the last trading day of the fiscal year ended February 3, 2019. Prior to the adoption of the DSU Plan in December 2014, option grants were made to non-executive directors under the Director Compensation Policy then in effect. See "Director Compensation".
- (3) DSUs comprising the annual equity retainer, in the amount of \$75,000, vest on the first anniversary of the grant date whereas DSUs granted at the end of each quarter to non-executive directors who elected to receive the cash component of their compensation in DSUs in lieu of cash vest immediately upon being granted. This number of DSUs includes additional DSUs credited as dividend equivalents up to February 3, 2019.
- (4) The value of a DSU when redeemed for cash is equivalent to the volume weighted average trading price of the common shares of the Corporation on the TSX for the five trading days immediately preceding the date of redemption. However, for the purposes of this Circular, the total value of vested DSUs is calculated based on the closing price of the common shares (\$34.80) on February 1, 2019, being the last trading day of the Corporation's fiscal year ended February 3, 2019.
- (5) Equity ownership was assessed as at April 11, 2019, based on the closing price of the common shares (\$38.81) on such date. For further details on the share ownership guidelines applicable to directors, see "Nominees for Election to the Board of Directors – Director Share Ownership Guidelines".

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**NEIL ROSSY**

Québec, Canada  
Age: 49

Director since 2004  
Not independent<sup>(1)</sup>

**President and Chief Executive Officer  
Dollarama Inc.**

Neil Rossy is a member of the Board of Directors since 2004 and serves as President and Chief Executive Officer of the Corporation since May 1, 2016. Prior to being appointed to this office by the Board of Directors, he had served as Chief Merchandising Officer of Dollarama since 2010. With the company since its inception in 1992, he has been involved in all aspects of Dollarama's business, supply chain and day-to-day operations. Over the last two decades, Neil Rossy has played an increasingly important role in strategic decisions related to warehousing and distribution, direct sourcing, brand identity, product development and merchandising innovations that define Dollarama and underpin its success. He is a graduate of Queen's University.

**2018 Annual Meeting of  
Shareholders Voting Results**

	%	#
For:	99.14	245,323,599
Withheld:	0.86	2,118,637

**Other Public Company  
Directorships in Past Five Years**

—

**Board/Committee Memberships**

Board of Directors

**Total**

**Attendance**

8/8 (100.0%)

**8/8 (100.0%)**

**Value of Total Compensation Received as Director<sup>(2)</sup>**

Fiscal year ended February 3, 2019: —

Fiscal year ended January 28, 2018: —

**Securities Held as at February 3, 2019**

<b>Common Shares (#)</b>	<b>Common Shares<sup>(3)</sup> (\$)</b>	<b>Options Vested/Total (#)</b>	<b>Options<sup>(3)</sup> Vested Only (\$)</b>	<b>DSUs<sup>(4)</sup> Vested/Total (#)</b>	<b>DSU<sup>(4)</sup> Vested Only (\$)</b>	<b>Total Value of Securities Held Vested Only (\$)</b>
3,215,679	111,905,629	882,000 / 1,470,000	16,346,696	—	—	128,252,325

Total Ownership as Multiple of Retainer as at April 11, 2019<sup>(5)</sup>

(Target: 3x base salary): 132.9x

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(1) Neil Rossy is not considered independent because he is President and Chief Executive Officer of the Corporation.

(2) Neil Rossy does not receive any compensation from the Corporation for his services as director. For further details on his compensation as President and Chief Executive Officer, see "Compensation Discussion and Analysis – Compensation Components – Summary Compensation Table".

(3) Based on the closing price of the common shares (\$34.80) on February 1, 2019, being the last trading day of the fiscal year ended February 3, 2019.

(4) Only non-executive directors are eligible to receive DSUs.

(5) Equity ownership was assessed as at April 11, 2019, based on the closing price of the common shares (\$38.81) on such date. Neil Rossy is subject to Executive Share Ownership Guidelines rather than Director Share Ownership Guidelines as he is not compensated for his role as director. For further details, see "Compensation Discussion and Analysis - Compensation Components - Executive Share Ownership Guidelines."

## RICHARD ROY, FCPA, FCA

Québec, Canada  
Age: 63

Director since 2012  
Independent

### 2018 Annual Meeting of Shareholders Voting Results

	%	#
For:	99.86	247,093,011
Withheld:	0.14	349,224

### Other Public Company Directorships in Past Five Years

Uni-Select Inc.	2008 – present
GDI Integrated Facility Services Inc.	2015 – present
Toromont Industries Ltd.	2018 – present

## Corporate Director

Richard Roy, FCPA, FCA, is a member of the Board of Directors and the Chair of the Audit Committee. He sits on the board of directors of Uni-Select Inc. since May 2008 and is the chair of its audit committee. He also sits on the board of directors of GDI Integrated Facility Services Inc. since May 2015 and is a member of its audit committee and of its human resources and compensation committee, and on the board of directors of Toromont Industries Ltd. since November 2018 and is a member of its audit committee and governance committee. Mr. Roy served as President and Chief Executive Officer of Uni-Select, a distributor of automotive replacement parts, equipment, tools and accessories in North America, from January 1, 2008 to July 31, 2015. Prior to January 2008, he held various senior roles at Uni-Select, including the positions of Vice President, Chief Operating Officer from April 2007 to January 2008, and Vice President, Administration and Chief Financial Officer from January 1999 to April 2007. Mr. Roy received his Fellow Chartered Accountant (FCA) designation from the *Ordre des comptables professionnels agréés du Québec* in 2012. Mr. Roy is a graduate of HEC Montreal.

### Board/Committee Memberships

	Attendance
Board of Directors	7/8 (87.5%)
Audit Committee (Chair)	4/4 (100.0%)
<b>Total</b>	<b>11/12 (91.67%)</b>

### Value of Total Compensation Received as Director

Fiscal year ended February 3, 2019: \$156,500

Fiscal year ended January 28, 2018: \$123,750

### Securities Held as at February 3, 2019

Common Shares (#)	Common Shares <sup>(1)</sup> (\$)	Options Vested/Total (#)	Options <sup>(1)</sup> Vested Only (\$)	DSUs <sup>(2)</sup> Vested/Total (#)	DSU <sup>(2)(3)</sup> Vested Only (\$)	Total Value of Securities Held Vested Only (\$)
12,000	417,600	33,600 / 36,000	755,171	15,106 / 15,106	525,689	1,698,460

Total Ownership as Multiple of Retainer as at April 11, 2019<sup>(4)</sup>

(Target: 3x annual cash retainer): 40.0x

- (1) Based on the closing price of the common shares (\$34.80) on February 1, 2019, being the last trading day of the fiscal year ended February 3, 2019. Prior to the adoption of the DSU Plan in December 2014, option grants were made to non-executive directors under the Director Compensation Policy then in effect. See "Director Compensation".
- (2) DSUs comprising the annual equity retainer, in the amount of \$75,000, vest on the first anniversary of the grant date whereas DSUs granted at the end of each quarter to non-executive directors who elected to receive the cash component of their compensation in DSUs in lieu of cash vest immediately upon being granted. This number of DSUs includes additional DSUs credited as dividend equivalents up to February 3, 2019.
- (3) The value of a DSU when redeemed for cash is equivalent to the volume weighted average trading price of the common shares of the Corporation on the TSX for the five trading days immediately preceding the date of redemption. However, for the purposes of this Circular, the total value of vested DSUs is calculated based on the closing price of the common shares (\$34.80) on February 1, 2019, being the last trading day of the Corporation's fiscal year ended February 3, 2019.
- (4) Equity ownership was assessed as at April 11, 2019, based on the closing price of the common shares (\$38.81) on such date. For further details on the share ownership guidelines applicable to directors, see "Nominees for Election to the Board of Directors – Director Share Ownership Guidelines".



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**HUW THOMAS, FCPA, FCA**

Ontario, Canada  
Age: 66

Director since 2011  
Independent

**Corporate Director**

Huw Thomas, FCPA, FCA, is a member of the Board of Directors. Mr. Thomas served as Chief Executive Officer of SmartCentres Real Estate Investment Trust ("SmartCentres REIT", formerly known as Smart Real Estate Investment Trust) from 2013 to June 2018 and also occupied the office of President of SmartCentres REIT from 2013 to August 2016. Prior to that, from 1996 to 2010, Mr. Thomas served in various senior financial roles at Canadian Tire Corporation, Limited, including nine years as Chief Financial Officer and, from November 2009 until December 2010, as Executive Vice-President, Financial Strategy and Performance. He remains a trustee of SmartCentres REIT until May 31, 2019, the effective date of his resignation. Mr. Thomas is also a trustee of Chartwell Retirement Residences, a member of its compensation, nominating and governance committee and the chair of its audit committee. He holds a Bachelor of Science degree in Economics from the University of London (U.K.), and is a Certified U.K. and Canadian Chartered Professional Accountant. He received his Fellowship designation (FCPA) from the Chartered Professional Accountants of Ontario in 2013.

**2018 Annual Meeting of Shareholders Voting Results**

	%	#
For:	93.10	230,363,604
Withheld:	6.90	17,078,631

**Other Public Company Directorships in Past Five Years**

SmartCentres REIT	2011 – present <sup>(1)</sup>
Chartwell Retirement Residences	2012 – present

**Board/Committee Memberships**

	Attendance
Board of Directors	8/8 (100.0%)
<b>Total</b>	<b>8/8 (100.0%)</b>

**Value of Total Compensation Received as Director**

Fiscal year ended February 3, 2019: \$137,000

Fiscal year ended January 28, 2018: \$114,000

**Securities Held as at February 3, 2019**

Common Shares (#)	Common Shares <sup>(2)</sup> (\$)	Options Vested/Total (#)	Options <sup>(2)</sup> Vested Only (\$)	DSUs <sup>(3)</sup> Vested/Total (#)	DSU <sup>(3)(4)</sup> Vested Only (\$)	Total Value of Securities Held Vested Only (\$)
37,200	1,294,560	9,600 / 12,000	192,032	14,882 / 14,882	517,894	2,004,485

Total Ownership as Multiple of Retainer as at April 11, 2019<sup>(5)</sup>  
(Target: 3x annual cash retainer): 46.2x

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- (1) Mr. Thomas will be stepping down from his role as trustee of SmartCentres REIT effective May 31, 2019.
- (2) Based on the closing price of the common shares (\$34.80) on February 1, 2019, being the last trading day of the fiscal year ended February 3, 2019. Prior to the adoption of the DSU Plan in December 2014, option grants were made to non-executive directors under the Director Compensation Policy then in effect. See "Director Compensation".
- (3) DSUs comprising the annual equity retainer, in the amount of \$75,000, vest on the first anniversary of the grant date whereas DSUs granted at the end of each quarter to non-executive directors who elected to receive the cash component of their compensation in DSUs in lieu of cash vest immediately upon being granted. This number of DSUs includes additional DSUs credited as dividend equivalents up to February 3, 2019.
- (4) The value of a DSU when redeemed for cash is equivalent to the volume weighted average trading price of the common shares of the Corporation on the TSX for the five trading days immediately preceding the date of redemption. However, for the purposes of this Circular, the total value of vested DSUs is calculated based on the closing price of the common shares (\$34.80) on February 1, 2019, being the last trading day of the Corporation's fiscal year ended February 3, 2019.
- (5) Equity ownership was assessed as at April 11, 2019, based on the closing price of the common shares (\$38.81) on such date. For further details on the share ownership guidelines applicable to directors, see "Nominees for Election to the Board of Directors – Director Share Ownership Guidelines".

## DIRECTOR COMPENSATION

Each director who is not a member of the management of the Corporation (each a “non-executive director”) is eligible to receive compensation under the Director Compensation Policy.

For the fiscal year ended February 3, 2019, the compensation of non-executive directors consisted of the following elements:

<b>Fees<sup>(1)</sup></b>	<b>Amount</b>
<b>Annual Cash Retainers</b>	
Chairman <sup>(2)</sup>	\$70,000
Non-Executive Director	\$50,000
Audit Committee – Chair	\$15,000
Audit Committee – Member	\$5,000
Human Resources and Compensation Committee – Chair	\$12,500
Human Resources and Compensation Committee – Member	\$3,000
Nominating and Governance Committee – Chair	\$8,500
Nominating and Governance Committee – Member	\$3,000
<b>Annual Equity Retainer<sup>(3)</sup></b>	
Non-Executive Director	\$75,000
<b>Meeting Fees</b>	
Board Meeting	\$1,500
Committee Meeting	\$1,500

(1) Travel fees as well as out-of-pocket expenses incurred by directors in attending board meetings, committee meetings and shareholders meetings and in the performance of other duties as directors of the Corporation are also reimbursed by the Corporation.

(2) The Chairman retainer represents the annual cash retainer to which Stephen Gunn is entitled for his role as independent Chairman of the Board of Directors. The Chairman retainer replaces the Lead Director retainer in the amount of \$20,000 to which Stephen Gunn was entitled for his role as Lead Director up until June 6, 2018.

(3) The annual equity retainer consists of an award of DSUs under the Corporation's deferred share unit plan (the “DSU Plan”), as further described below.

The Director Compensation Policy is reviewed by the Human Resources and Compensation Committee on a yearly basis to determine whether it is aligned with the market and continues to reflect the Corporation's objectives. On March 27, 2019, upon recommendation of the Human Resources and Compensation Committee, the Board of Directors approved an increase to the Chairman's annual retainer from \$70,000 to \$90,000, which will come into effect for the fiscal year ending February 2, 2020.

### DSU Plan

On December 3, 2014, upon recommendation of the Human Resources and Compensation Committee, the Board of Directors adopted the DSU Plan to provide non-executive directors with the opportunity to receive compensation in the form of equity and participate in the long-term success of the Corporation and to promote a greater alignment of interests between directors and shareholders for the duration of each director's tenure.

#### *Annual Equity Retainer*

Non-executive directors receive an annual equity retainer consisting of DSUs. For the fiscal year ended February 3, 2019, the annual equity retainer represented an amount of \$75,000, up from \$50,000 in the previous fiscal year. This increase was recommended by the Human Resources and Compensation Committee and approved by the Board of Directors at the beginning of the fiscal year to better align the Corporation's total director compensation package with the median of the Comparator Group (as hereinafter defined). DSUs comprising the annual equity retainer, together with additional DSUs credited as dividend equivalents in respect of such annual DSUs, vest on the first anniversary of the date of grant.

#### *Quarterly DSU Awards*

In addition to the annual equity retainer, non-executive directors may elect to receive all or a portion of their annual cash compensation (including the annual cash retainers and meeting fees, which are paid quarterly, but excluding reimbursement of expenses) in the form of DSUs.



If so elected, the Corporation credits to the director's notional account, on a quarterly basis, such number of DSUs equal to the amount that the director elects to receive in the form of DSUs divided by the volume weighted average trading price of the common shares on the TSX for the five (5) trading days ending on the last business day of each fiscal quarter. Dividend equivalents in the form of additional DSUs that are equal in value to dividends paid on common shares are also credited to the director's notional account on each dividend payment date based on the number of DSUs in such director's notional account as of the dividend record date. DSUs credited to a director's notional account as a result of the election by such director to receive all or a portion of his or her cash compensation in the form of DSUs vest immediately.

The election to receive all or a portion of the annual cash compensation in the form of DSUs is made prior to the beginning of a fiscal year and is irrevocable for that fiscal year. For the fiscal year ended February 3, 2019, all of the Corporation's non-executive directors elected to receive 100% of their annual cash compensation in the form of DSUs, except Gregory David who elected to receive 50% of his annual cash compensation in the form of DSUs and Stephen Gunn who elected to receive the full amount in cash.

DSUs credited to a director's notional account remain in such account for as long as he or she is a director and they can only be redeemed following the director's resignation from the Board of Directors or death, either, at the Corporation's sole discretion, (i) in cash based on the volume weighted average trading price of the common shares on the TSX for the five (5) trading days immediately preceding the date of redemption or death, as applicable, or (ii) in common shares to be acquired on the open market by the Corporation, in each case net of any applicable tax withholdings. The DSU Plan is not dilutive.

The following table provides information regarding the compensation earned by non-executive directors during the fiscal year ended February 3, 2019.

Name <sup>(1)</sup>	Fees Earned			Option-Based Awards <sup>(4)</sup>	Share-Based Awards <sup>(5)</sup>	All Other Compensation <sup>(6)</sup>	Allocation of Total Compensation <sup>(6)</sup>		
	Board Cash Retainer <sup>(7)</sup> (\$)	Other Cash Retainers <sup>(2)</sup> (\$)	Meeting Fees <sup>(3)</sup> (\$)				Total Compensation (\$)	In Cash (\$)	In DSUs (\$)
J. Bekenstein <sup>(7)(12)</sup>	50,000	6,000	21,000	—	75,000	—	152,000	—	152,000
G. David	50,000	—	12,000	—	75,000	—	137,000	31,000	106,000
E. D. Garcia C. <sup>(12)</sup>	50,000	3,000	15,000	—	75,000	—	143,000	—	143,000
S. Gunn <sup>(7)(8)(9)</sup>	50,000	68,780 <sup>(10)</sup>	27,000	—	75,000	—	220,780	145,780	75,000
K. Mugford <sup>(9)</sup>	50,000	5,000	13,500	—	62,500 <sup>(11)</sup>	—	131,000	—	131,000
N. Nomicos <sup>(9)(13)</sup>	50,000	17,500	24,000	—	75,000	—	166,500	—	166,500
R. Roy <sup>(14)</sup>	50,000	15,000	16,500	—	75,000	—	156,500	—	156,500
H. Thomas	50,000	—	12,000	—	75,000	—	137,000	—	137,000

- (1) No compensation is paid to Neil Rossy, the Corporation's President and Chief Executive Officer, for his services as director.
- (2) Includes the Lead Director retainer, the Chairman retainer, the committee chair retainers and the committee member retainers, as applicable.
- (3) Includes the Board meeting fees and the Committee meeting fees, as applicable.
- (4) No options were granted to non-executive directors since the adoption of the DSU Plan in December 2014.
- (5) The value disclosed in this column consists of the grant date value of the annual equity retainers paid in DSUs on January 29, 2018, the first day of the Corporation's fiscal year ended February 3, 2019, to all non-executive directors except Kristin Mugford. Kristin Mugford received a prorated amount of the annual equity retainer paid in DSUs on March 29, 2018, the effective date of her appointment as independent director and member of the Audit Committee.
- (6) In addition to the annual equity retainer disclosed under "Share-Based Awards", non-executive directors may elect to receive all or a portion of their annual cash compensation (including meeting fees, which are paid quarterly, but excluding reimbursement of expenses) in the form of DSUs.
- (7) Member of the Human Resources and Compensation Committee.
- (8) Lead Director (up until June 6, 2018), Chairman (since June 7, 2018) and Chair of the Nominating and Governance Committee.
- (9) Member of the Audit Committee (appointment effective March 29, 2018 for Kristin Mugford).
- (10) Includes the Lead Director retainer (prorated from January 29, 2018 to June 6, 2018) and the Chairman retainer (prorated from June 7, 2018 to February 3, 2019).
- (11) Kristin Mugford was appointed as independent director and member of the Audit Committee effective March 29, 2018 and therefore received a prorated amount of the annual equity retainer paid in DSUs for the fiscal year ended February 3, 2019.
- (12) Member of the Nominating and Governance Committee.
- (13) Chair of the Human Resources and Compensation Committee.
- (14) Chair of the Audit Committee.

## Option-Based Awards and Share-Based Awards – Value Outstanding At Year End

The following table summarizes the number of options granted to non-executive directors that are outstanding under the Option Plan as at the end of the fiscal year ended February 3, 2019 as well as the value of DSUs granted to non-executive directors up to the end of the fiscal year ended February 3, 2019. No new option grants were made to non-executive directors after the adoption of the DSU Plan in December 2014.

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options <sup>(1)(2)</sup> (#)	Option Exercise Price <sup>(2)</sup> (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options <sup>(3)</sup> (\$)	Number of Shares or Units of Shares that have not Vested <sup>(4)</sup> (#)	Market or Payout Value of Share-Based Awards that have not Vested <sup>(4)</sup> (\$)	Market or Payout Value of Vested Share-Based Awards not Paid out or Distributed <sup>(5)(6)</sup> (\$)
J. Bekenstein	12,000	7.2500	Jan. 18, 2022	330,600	—	—	537,973
	12,000	12.0217	Apr. 11, 2023	273,340	—	—	—
	12,000	14.7967	Apr. 8, 2024	240,040	—	—	—
G. David	12,000	2.9167	Oct. 16, 2019	382,600	—	—	358,162
	12,000	4.4250	Oct. 16, 2020	364,500	—	—	—
	12,000	6.2950	Oct. 16, 2021	342,060	—	—	—
	12,000	7.2500	Jan. 18, 2022	330,600	—	—	—
	12,000	12.0217	Apr. 11, 2023	273,340	—	—	—
	12,000	14.7967	Apr. 8, 2024	240,040	—	—	—
E. D. Garcia C.	— <sup>(7)</sup>	—	—	—	—	—	482,954
S. Gunn	12,000	2.9167	Oct. 16, 2019	382,600	—	—	228,044
	12,000	4.4250	Oct. 16, 2020	364,500	—	—	—
	12,000	6.2950	Oct. 16, 2021	342,060	—	—	—
	12,000	7.2500	Jan. 18, 2022	330,600	—	—	—
	12,000	12.0217	Apr. 11, 2023	273,340	—	—	—
	12,000	14.7967	Apr. 8, 2024	240,040	—	—	—
K. Mugford	— <sup>(7)</sup>	—	—	—	—	—	99,632
N. Nomicos	12,000	7.2500	Jan. 18, 2022	330,600	—	—	530,735
	12,000	12.0217	Apr. 11, 2023	273,340	—	—	—
	12,000	14.7967	Apr. 8, 2024	240,040	—	—	—
R. Roy	12,000	10.6500	Oct. 11, 2022	289,800	—	—	525,689
	12,000	12.0217	Apr. 11, 2023	273,340	—	—	—
	12,000	14.7967	Apr. 8, 2024	240,040	—	—	—
H. Thomas	12,000	14.7967	Apr. 8, 2024	240,040	—	—	517,894

(1) Until the end of the fiscal year ended January 29, 2012, option grants to non-executive directors under the Director Compensation Policy then in effect were made upon the appointment of a director and on the anniversary date of each director's appointment. After that date, annual grants were made on the same date for all non-executive directors until April 8, 2014, date of the last grant of options to non-executive directors.

(2) Adjusted to reflect the Share Split.

(3) Based on the closing price of the common shares (\$34.80) on February 1, 2019, being the last trading day of the fiscal year ended February 3, 2019. Includes the in-the-money value of both vested and unvested options.

(4) DSUs comprising the annual equity retainer, together with additional DSUs credited as dividend equivalents in respect of such annual DSUs, vest on the first anniversary of the date of grant. Contrary to prior years, the DSU award made on January 29, 2018, the first day of the fiscal year, had fully vested on February 3, 2019 given that the fiscal year was comprised of 53 weeks.

(5) The value of a DSU when redeemed for cash is equivalent to the volume weighted average trading price of the common shares of the Corporation on the TSX for the five trading days immediately preceding the date of redemption. However, for the purposes of this Circular, the total value of vested DSUs is calculated based on the closing price of the common shares (\$34.80) on February 1, 2019, being the last trading day of the Corporation's fiscal year ended February 3, 2019.

(6) DSUs granted at the end of each quarter to non-executive directors who elected to receive all or a portion of the cash component of their compensation in DSUs in lieu of cash vest immediately upon being granted. DSUs are only redeemed upon the non-executive director ceasing to act as director of the Corporation for any reason, including by death, disability, retirement or resignation.

(7) Elisa D. Garcia C. was appointed as independent director and member of the Nominating and Governance Committee effective February 18, 2015. Kristin Mugford was appointed as independent director and member of the Audit Committee effective March 29, 2018. Neither Elisa D. Garcia C. nor Kristin Mugford therefore ever received any option grants under the Option Plan.

## Option-Based Awards and Share-Based Awards – Value Vested During the Year

The following table provides a summary of the value of option-based and share-based awards vested and of non-equity incentive plan compensation earned by non-executive directors during the fiscal year ended February 3, 2019.

Name	Option-Based Awards – Value Vested During the Fiscal Year <sup>(1)</sup> (\$)	Share-Based Awards – Value Vested During the Fiscal Year <sup>(2)</sup> (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Fiscal Year (\$)
J. Bekenstein	177,964	165,370	—
G. David	177,964	126,916 <sup>(3)</sup>	—
E. D. Garcia C.	— <sup>(4)</sup>	157,853	—
S. Gunn	177,964	100,990 <sup>(3)</sup>	—
K. Mugford	— <sup>(4)</sup>	99,632 <sup>(5)</sup>	—
N. Nomikos	177,964	177,236	—
R. Roy	177,964	169,163	—
H. Thomas	177,964	153,016	—

- (1) Calculated as the difference between the market price of the common shares on the date of vesting and the exercise price payable in order to exercise the options.
- (2) DSUs granted at the end of each quarter to non-executive directors who elected to receive all or a portion of their annual cash compensation in the form of DSUs vest immediately upon being granted whereas DSUs comprising the annual equity retainer vest on the first anniversary of the date of grant. The value of a DSU when redeemed for cash is equivalent to the volume weighted average trading price of the common shares of the Corporation on the TSX for the five trading days immediately preceding the date of redemption. However, for the purposes of this Circular, the total value of vested DSUs is calculated based on the closing price of the common shares (\$34.80) on February 1, 2019, being the last trading day of the Corporation's fiscal year ended February 3, 2019.
- (3) Gregory David elected to receive 50% of his annual cash compensation in the form of DSUs whereas Stephen Gunn elected to receive the full amount in cash.
- (4) Elisa D. Garcia C. was appointed as independent director and member of the Nominating and Governance Committee effective February 18, 2015. Kristin Mugford was appointed as independent director and member of the Audit Committee effective March 29, 2018. Neither Elisa D. Garcia C. nor Kristin Mugford therefore ever received any option grants under the Option Plan.
- (5) For the fiscal year ended February 3, 2019, Kristin Mugford received a prorated amount of the annual equity retainer paid in DSUs since her appointment was effective March 29, 2018.

## DIRECTOR SHARE OWNERSHIP GUIDELINES

On April 10, 2012, upon recommendation of the Nominating and Governance Committee, the Board of Directors adopted Director Share Ownership Guidelines in order to better align directors' interests with shareholders' interests. Such guidelines were then amended in December 2014 upon adoption of the DSU Plan. Under such guidelines, each non-executive director is required to accumulate at least three times the value of his or her annual cash retainer, which represented a total value of \$150,000 for the fiscal year ended February 3, 2019, in common shares, unexercised vested options or vested DSUs, within five years following such director's election or appointment to the Board of Directors. Neil Rossy is subject to the Executive Share Ownership Guidelines rather than the Director Share Ownership Guidelines as he is not compensated for his role as director. See "Executive Share Ownership Guidelines."

See "Nominees for Election to the Board of Directors - Description of Proposed Director Nominees" for information concerning the individual holdings of the director nominees and their respective level of attainment of the Director Share Ownership Guidelines.

Each non-executive director is required to continue to hold such minimum value in common shares, unexercised vested options and/or vested DSUs throughout the remainder of his or her tenure as director. The Director Share Ownership Guidelines also prohibit directors from entering into any transaction that would operate as a hedge against, or would offset a decrease in market value of, such director's ownership position.

## CEASE TRADE ORDERS OR BANKRUPTCIES

To the knowledge of the Corporation, none of the proposed nominees for election to the Board of Directors:

- (a) is, as at the date of this Circular, or has been, within the 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that,
  - (i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
  - (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

For the purposes of the paragraphs above, “order” means: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days.

To the knowledge of the Corporation, none of the proposed nominees for election to the Board of Directors:

- (a) is, as at the date of this Circular, or has been within the 10 years before the date of this Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his or her assets;

except for:

- (i) Stephen Gunn, a director of the Corporation, who was previously a director of Golf Town Canada Inc., which, together with certain of its Canadian affiliates, sought and obtained protection under the *Companies’ Creditors Arrangement Act* pursuant to an Initial Order of the Ontario Superior Court of Justice dated September 14, 2016; and
- (ii) Joshua Bekenstein, a director of the Corporation, who was from 2005 to 2019 a director of Toys “R” Us, Inc., which filed for bankruptcy in September 2017, and who was from 2010 to 2017 a director of The Gymboree Corporation, which filed for bankruptcy in June 2017.

## PENALTIES OR SANCTIONS

To the knowledge of the Corporation, none of the proposed nominees for election to the Board of Directors has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

## COMPENSATION DISCUSSION AND ANALYSIS

The following discussion describes the significant elements of the Executive Officer Compensation Policy, with particular emphasis on the process for determining compensation payable to the Corporation's named executive officers ("NEOs") for the fiscal year ended February 3, 2019, being (i) the President and Chief Executive Officer, (ii) the Chief Financial Officer, (iii) each of the next three most highly compensated executive officers (or individuals acting in a similar capacity) of the Corporation, including any of its subsidiaries; and (iv) each individual who would have been an NEO but for the fact that such individual was neither an executive officer of the Corporation or its subsidiaries nor acting in a similar capacity at the end of the fiscal year ended February 3, 2019, namely Larry Rossy.

For the fiscal year ended February 3, 2019, the NEOs are:

- Neil Rossy, President and Chief Executive Officer ("CEO");
- Michael Ross, FCPA, FCA, Chief Financial Officer ("CFO");
- Johanne Choinière, Chief Operating Officer ("COO");
- Geoffrey Robillard, Senior Vice President, Import Division;
- John Assaly, Vice-President, Global Procurement; and
- Larry Rossy, former Executive Chairman.

## COMPENSATION OBJECTIVES

The Corporation's Executive Officer Compensation Policy is administered by the Human Resources and Compensation Committee, which makes recommendations to the Board of Directors. The compensation policy is designed to attract and retain highly qualified executive officers, to motivate and reward them for their performance and contribution to the long-term success of the Corporation, and to align the interests of the executive officers with those of the Corporation's shareholders. The Board of Directors thereby seeks to compensate the executive officers by combining short and long-term cash compensation with long-term equity incentives.

The Corporation has established a pay-for-performance compensation strategy for its executive officers which is weighted toward performance-driven variable compensation. Accordingly, while the Corporation provides competitive base salaries, a significant portion of the overall executive officers' compensation is awarded based upon the Corporation's success in meeting aggressive corporate performance goals and objectives which would typically favourably impact the Corporation's share price.

## ANNUAL COMPENSATION REVIEW PROCESS

Based on recommendations made by the Human Resources and Compensation Committee, the Board of Directors makes decisions regarding base salaries, annual bonuses and equity incentive compensation for NEOs, and approves corporate goals and objectives relevant to the compensation of NEOs. The Human Resources and Compensation Committee solicits input from the CEO regarding the performance of the other NEOs. The Human Resources and Compensation Committee also reviews the Corporation's compensation strategies and plans for each fiscal year as well as the results in order to recommend to the Board of Directors the compensation to be awarded to each NEO.

A market review of executive compensation is conducted on an annual basis, and the Human Resources and Compensation Committee assesses findings submitted to it by management of the Corporation. Each component of executive compensation, namely base salary, annual bonus and long-term equity incentives, further described under "Compensation Discussion and Analysis – Compensation Components", is reviewed to ensure that it accurately reflects the market in which the Corporation competes for talent. Adjustments are approved by the Board of Directors if deemed necessary and appropriate and they become effective for the then current fiscal year.

## COMPENSATION CONSULTING SERVICES

During the fiscal year ended February 3, 2019, the Corporation retained the services of Willis Towers Watson (“Towers”) to provide market intelligence on executive compensation trends.

Towers was originally retained by the Corporation in 2014. For the fiscal years ended February 3, 2019 and January 28, 2018, the Corporation was billed by Towers the following fees:

	Fiscal Year Ended February 3, 2019	Fiscal Year Ended January 28, 2018
Executive Compensation-Related Fees <sup>(1)</sup>	\$103,777	\$23,713
All Other Fees <sup>(1)</sup>	\$69,142	\$90,037
<b>Total Fees Paid</b>	<b>\$172,919</b>	<b>\$113,750</b>

(1) See discussion below for further details regarding the services rendered.

The mandate that is annually entrusted to Towers by the Corporation’s management and for which the Corporation was billed the “Executive Compensation-Related Fees” by Towers is primarily focused on the benchmarking of the Corporation’s executive compensation and director compensation packages against compensation offered by companies comprising the Comparator Group (as hereinafter defined). This mandate does not involve the making by Towers of recommendations to the Human Resources and Compensation Committee (or the Board of Directors) on the structure or quantum of executive and/or director compensation, but rather provides comparative data on the practices of other issuers with respect to compensation.

Each year, the results of this benchmarking exercise are submitted by management to the Human Resources and Compensation Committee and constitute one of the many elements of the committee’s review. The directors who are members of the Human Resources and Compensation Committee are all independent and each has direct experience in the area of compensation, as described in this Circular. See “Nominees for Election to the Board of Directors – Description of Proposed Directors Nominees”.

In addition, the Human Resources and Compensation Committee has the discretion to retain, at the Corporation’s expense, independent counsel or consultants to advise its members on questions concerning executive and/or director compensation. For the fiscal years ended February 3, 2019 and January 28, 2018, the Human Resources and Compensation Committee chose to rely on the knowledge and experience of its members, internal human resources expertise, external market data gathered, at management’s request, by Towers, and, in the case of NEOs other than the CEO, on the recommendations of the CEO to set appropriate levels of compensation for NEOs.

For both the fiscal years ended February 3, 2019 and January 28, 2018, the “All Other Fees” billed by Towers were primarily related to brokerage services provided by Towers in connection with the Corporation’s group insurance plan, a contract awarded to Towers in 2017 in the context of a request for proposals involving several providers of similar services.

The services rendered by Towers are not required to be preapproved by the Human Resources and Compensation Committee or by the Board of Directors.

Towers did not provide services to the Corporation’s directors or executive officers directly.

## COMPARATOR GROUP

In designing and reviewing periodically the Corporation's compensation policies, the Human Resources and Compensation Committee compares the compensation practices and elements of compensation of the Corporation against those of a comparator group composed of companies sharing activity, scope and/or financial characteristics with the Corporation (the "Comparator Group"). Such exercise aims at assessing the competitiveness of the Corporation's compensation and ensuring that the Corporation is well positioned to attract and retain the talent required to execute its growth strategy.

The companies that comprise the Comparator Group have revenues comparable to those of the Corporation and include a significant number of companies in the retail and distribution industries. The Corporation also considers growth trajectory and geographical presence in the determination of the composition of the Comparator Group. The selected companies share similar economic and business challenges as the Corporation and are likely to recruit talent from the same pool of candidates as the Corporation, making relative performance and compensation comparisons meaningful.

The composition of the Comparator Group is reviewed by the Human Resources and Compensation Committee at least every four years, unless a material change in the Corporation's profile or in the profile of one or more companies comprising the Comparator Group calls for an earlier review.

The Comparator Group used for the purpose of benchmarking executive compensation awarded for the fiscal year ended February 3, 2019 was composed of the following eleven (11) companies:

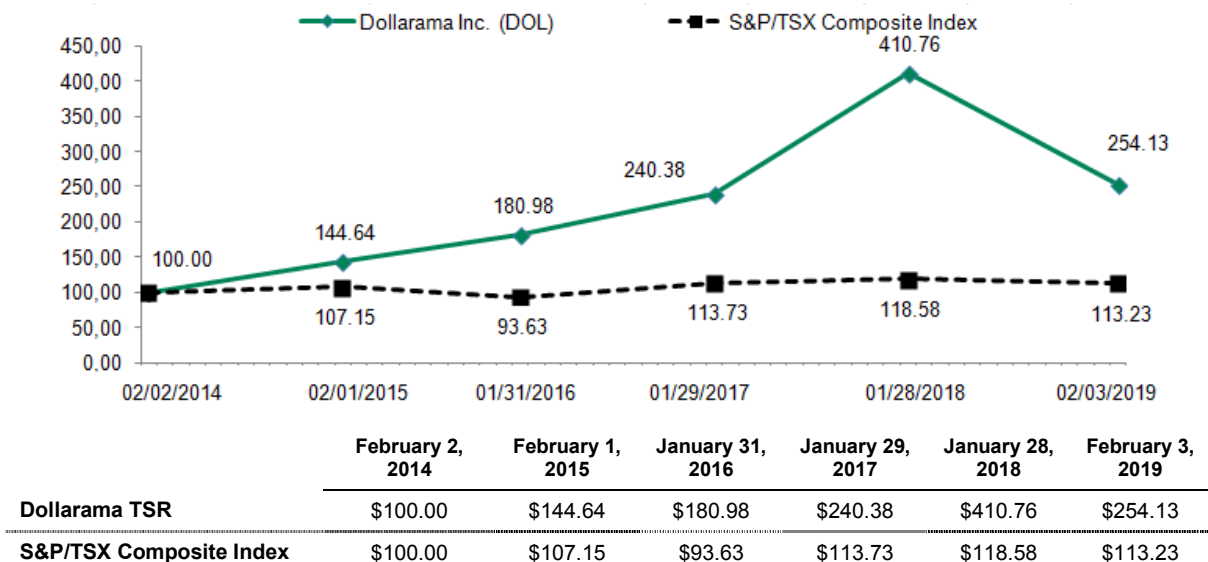
Canadian Tire Corporation, Limited	Metro Inc.
Empire Company Limited (Sobeys Inc.)	Reitmans (Canada) Limited
Gildan Activewear Inc.	Sears Canada Inc
Hudson's Bay Company	The Jean Coutu Group (PJC) Inc.
Leon's Furniture Ltd.	The North West Company Inc.
lululemon athletica, inc.	

While a comprehensive review of the Comparator Group had taken place in the previous year, the Human Resources and Compensation Committee undertook a new review of the Comparator Group as a result of it being reduced from eleven (11) to nine (9) companies following the closure of Sears Canada Inc. and the acquisition of The Jean Coutu Group (PJC) Inc. by Metro Inc. As a result, it was agreed to add nine (9) new companies to the Comparator Group for purposes of benchmarking executive compensation for the fiscal year ending February 2, 2020. The Corporation's Comparator Group for the fiscal year ending February 2, 2020 is composed of the following eighteen (18) companies:

Alimentation Couche-Tard Inc.	lululemon athletica, inc.
BRP Inc.	Maple Leaf Foods Inc.
Canadian Tire Corporation, Limited	Metro Inc.
Empire Company Limited (Sobeys Inc.)	Premium Brands Holdings Corporation
Gildan Activewear Inc.	Quebecor Inc.
Hudson's Bay Company	Reitmans (Canada) Limited
Indigo Book Music Inc.	Transat A.T. Inc.
Leon's Furniture Ltd.	Transcontinental Inc.
Linamar Corporation	The North West Company Inc.

## PERFORMANCE GRAPH

The following graph illustrates the cumulative total shareholder return (“TSR”) of a \$100 investment in the common shares of the Corporation, with dividend reinvestments, compared to the cumulative return on the S&P/TSX Composite Index for the five-year period from February 2, 2014 to February 3, 2019.



The trend shown by the graph represents a marked growth in the TSR from February 2, 2014 to February 3, 2019, with the Corporation outperforming the S&P/TSX Composite Index over the five year period, despite a decrease in the Corporation’s share price during the most recently completed fiscal year, from a historical closing price high of \$56.43 reached on the last trading day of the fiscal year ended January 28, 2018.

Total annual compensation of the NEOs who were in office at the end of each fiscal year decreased by approximately 14% between February 2, 2014 and February 3, 2019, after annualization of the base salary and the annual bonus of NEOs who were not in office for a full fiscal year. Over the same period, the TSR of a \$100 investment in the common shares of the Corporation, with dividend reinvestments, grew approximately 154%. As a result of the Corporation not meeting the Bonus EBITDA Target for the most recently completed fiscal year, total annual compensation of NEOs for the fiscal year ended February 3, 2019 was approximately 24% lower than for the previous fiscal year.

	February 2, 2014	February 1, 2015	January 31, 2016	January 29, 2017	January 28, 2018	February 3, 2019
<b>NEOs Total Annual Compensation</b>	\$11.96 million <sup>(1)</sup>	\$12.36 million <sup>(2)</sup>	\$15.25 million <sup>(3)</sup>	\$14.3 million <sup>(4)</sup>	\$13.5 million <sup>(5)</sup>	\$10.3 million <sup>(6)</sup>
<b>Dollarama TSR</b>	\$100.00	\$144.64	\$180.98	\$240.38	\$410.76	\$254.13

(1) Includes total annual compensation for Larry Rossy, Michael Ross, Neil Rossy, Geoffrey Robillard and John Assaly.

(2) Includes total annual compensation for Larry Rossy, Michael Ross, Neil Rossy, Johanne Choinière (including the Choinière Options (as hereinafter defined) granted upon her appointment as COO) and Geoffrey Robillard.

(3) Includes total annual compensation for Larry Rossy, Michael Ross, Neil Rossy, Johanne Choinière, and Geoffrey Robillard. Of this total, an amount of \$7.72 million represents annual bonuses awarded to NEOs as a result of the exceptional year-over-year EBITDA growth percentage (29.6%), as per the formula set out under “Compensation Components - Annual Bonus” below.

(4) Includes total annual compensation for Larry Rossy (as CEO until April 30, 2016 and as Executive Chairman starting May 1, 2016), Neil Rossy (as Chief Merchandising Officer until April 30, 2016 and as CEO starting May 1, 2016), Michael Ross, Johanne Choinière and Geoffrey Robillard.

(5) Includes total annual compensation for Larry Rossy, Neil Rossy, Michael Ross, Johanne Choinière and Geoffrey Robillard.

(6) Includes total annual compensation for Neil Rossy, Michael Ross, Johanne Choinière, Geoffrey Robillard and John Assaly. Even though Larry Rossy qualifies as an NEO for the fiscal year ended February 3, 2019, his annual compensation was excluded for comparison purposes, given that in prior fiscal years this number constituted the aggregate annual compensation of five individuals. Taking into account Larry Rossy’s annual compensation, the NEOs total annual compensation for the fiscal year ended February 3, 2019 was \$11.0 million.



Based on the foregoing, we believe that there was no disconnect between pay and performance at any time during those years.

## **COMPENSATION COMPONENTS**

The elements composing the Corporation's executive compensation program are determined in accordance with existing market standards and are reviewed against those of the companies comprising the Comparator Group. The elements of the Corporation's executive compensation program consist of the following: base salary, annual bonus and long-term equity incentives. Each element of compensation is described in more detail below.

### **Base Salary**

Base salaries for NEOs are established based on a range of factors, both quantitative and qualitative. The Human Resources and Compensation Committee generally takes into account the median of compensation levels paid by the companies comprising the Comparator Group for similar positions. Qualitative factors such as the scope and breadth of an executive officer's role and responsibilities, his or her prior relevant experience, and the overall market demand for such NEO are also taken into account by the Human Resources and Compensation Committee in the determination of base salaries. A NEO's base salary is also assessed in light of the level of the other compensation components to ensure that such executive officer's total compensation is in line with the Corporation's overall compensation philosophy.

Base salaries are reviewed annually to ensure that they continue to reflect individual performance and market conditions, and merit increases or adjustments are made, as deemed appropriate. Under specific circumstances, the Human Resources and Compensation Committee may recommend adjustments as warranted throughout the year for promotions or other changes in the scope or breadth of an executive officer's role or responsibilities.

Before the beginning of the fiscal year ended February 3, 2019, the Human Resources and Compensation Committee benchmarked the total direct compensation packages of the Corporation's NEOs (except Geoffrey Robillard, Senior Vice President, Import Division, whose base salary remained unchanged from that of the previous fiscal year) against compensation packages of individuals acting in similar capacities for companies comprising the Comparator Group. A decision was made to adjust the base salary of the CEO, from \$900,000 to \$1,100,000, to bring it closer to the 50<sup>th</sup> percentile for corresponding positions in the Comparator Group. No other base salary adjustments were made, the Human Resources and Compensation Committee having concluded that base salaries of the other NEOs were competitive with the market for their respective positions and reflected the individuals' demonstrated capabilities. An annual merit increase of 3.2% was applied to the base salary of the other NEOs (other than Geoffrey Robillard). This increase, implemented on January 29, 2018, was within the range applicable to employees of the Corporation who exceeded expectations.

### **Annual Bonus**

NEOs and certain other members of the management team of the Corporation (collectively, the "Bonus Participants") are eligible to receive an annual incentive cash bonus (the "Bonus"). The employment agreement of each Bonus Participant provides for an annual individual bonus target, established as a percentage of such Bonus Participant's base salary (the "Target Bonus"). With respect to NEOs, the Bonus to be awarded is determined at the end of each fiscal year by the Human Resources and Compensation Committee in accordance with the Executive Officer Compensation Policy, subject to final approval by the Board of Directors.

For the fiscal year ended February 3, 2019, the Board of Directors determined the Bonus to be awarded to the CEO, CFO and COO based on the following two factors: (i) the Target Bonus and (ii) the Corporation's performance, which is measured against the Bonus EBITDA Target (as hereinafter defined) established by the Human Resources and Compensation Committee for the then current fiscal year. If the Corporation meets the Bonus EBITDA Target, the NEO receives 100% of his or her Target Bonus whereas if the

Corporation's performance is below or exceeds such Bonus EBITDA Target, the Bonus to which the NEO is entitled is established based on a sliding scale, as described below.

In the case of Geoffrey Robillard, Senior Vice President, Import Division, his Bonus remained unchanged from that of the previous fiscal year, at the fixed amount of \$1,000,000.

In the case of John Assaly, his Bonus was calculated based on the following three factors: (i) the Target Bonus, (ii) the Corporation's performance, and (iii) individual performance goals. In assessing individual performance, the Human Resources and Compensation Committee considers the impact of the Bonus Participant on metrics such as sales, cost of products and profitability. If the Corporation's performance meets the Bonus EBITDA Target, John Assaly receives 50% of his Target Bonus while the remaining 50% is received, in whole or in part, upon achieving or surpassing individual performance goals, as assessed by the CEO and the Human Resources and Compensation Committee. If the Corporation's performance is below or exceeds the Bonus EBITDA Target, 50% of the Bonus to which John Assaly is entitled is established based on the sliding scale described below and the other 50% is based on the level of attainment of his individual performance goals.

EBITDA represents operating income, in accordance with generally accepted accounting principles in Canada ("GAAP"), plus amortization and depreciation. EBITDA is a non-GAAP measure, meaning that it does not have a standardized meaning prescribed by GAAP. Nonetheless, it was selected as the reference metric for establishing annual incentive compensation because the Corporation believes that it is an appropriate measure of its operating performance that highlights trends in the core business that may not otherwise be apparent when relying solely on GAAP measures. Furthermore, the Human Resources and Compensation Committee and the Board of Directors believe that EBITDA is an appropriate metric to encourage the development of a corporate culture focused on sustained profitability and growth. Refer to the Management Discussion and Analysis of the Corporation for the year ended February 3, 2019, which is available on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Corporation's website at [www.dollarama.com](http://www.dollarama.com), for a reconciliation of EBITDA to operating income, the most directly comparable GAAP measure.

For the fiscal year ended February 3, 2019, management set an annual EBITDA target for the Corporation, representing an 11.0% year-over-year increase in EBITDA, and the Human Resources and Compensation Committee decided, as they did for the previous fiscal year, to use the same annual EBITDA target for the purpose of determining Bonuses under the Executive Officer Compensation Policy (the "Bonus EBITDA Target"). The Bonus EBITDA Target is designed to be a stretch objective in order to drive sustainable long-term growth of corporate performance. It is set in order to be attainable only with significant effort. Each year, there is a possibility that payments will not be made at all or will be made at less than 100% of the targeted level. The Human Resources and Compensation Committee has the discretion to exclude certain extraordinary and non-recurring items from the calculation of the EBITDA for the specific purpose of determining Bonuses to be awarded to Bonus Participants if it determines the circumstances so warrant. No such determination was made for the fiscal year ended February 3, 2019.

As CEO, Neil Rossy has a Target Bonus of 110% of his base salary whereas the other NEOs have Target Bonuses ranging from 50% to 75% of their base salaries. These percentages remain unchanged from the previous fiscal year.

The following table describes the key thresholds of the sliding scale used to establish Bonuses to which the CEO, CFO and COO were entitled for the fiscal year ended February 3, 2019, based on the percentage of EBITDA growth compared to the fiscal year ended January 28, 2018. The sliding scale is not capped, and the EBITDA growth percentage thresholds remain unchanged from the previous fiscal year.

Year-Over-Year EBITDA Growth	Payout as % of Target Bonus
< 3.0%	0%
11.0%	100%
19.0%	200%
27.0%	300%

The EBITDA for the fiscal year ended February 3, 2019 grew 7.0% compared to the previous fiscal year. Consequently, the CEO, CFO and COO received Bonuses representing 50% of their respective Target Bonus. In comparison, for the fiscal year ended January 28, 2018, the EBITDA grew 17.5% compared to the previous fiscal year. Consequently, the CEO, CFO and COO received Bonuses representing 181.0% of their respective Target Bonus for the fiscal year ended January 28, 2018. See “Compensation Components – Summary Compensation Table” for annual bonuses awarded to each individual.

### Long-Term Equity Incentives

The Human Resources and Compensation Committee believes that equity-based awards allow the Corporation to reward executive officers for their sustained contributions to the Corporation. Equity-based awards also reward continued employment by an executive officer, with an associated benefit to the Corporation of employee continuity and retention. The Human Resources and Compensation Committee further believes that incentive share options provide management with a strong link to long-term corporate performance and the creation of shareholder value.

The management option plan of the Corporation adopted on October 16, 2009 (the “Option Plan”) allows the Corporation the opportunity to grant options to purchase common shares to executive officers. See “Management Option Plan” for a detailed description of the terms and conditions attaching to options granted under the Option Plan.

On June 8, 2011, the Board of Directors approved an annual option grant plan (the “Annual Grant Plan”) which provides guidelines for annual grants of options to NEOs and other members of the senior management team. The Board of Directors also approved a maximum number of options that may be granted by the Human Resources and Compensation Committee pursuant to the Annual Grant Plan, which corresponded to the maximum number of common shares reserved for issuance under the Option Plan as at June 8, 2011, and delegated to such committee the power to administer and modify, from time to time, the Annual Grant Plan and grant options on an annual basis in accordance with the terms thereof. The first grants under the Annual Grant Plan were made on January 18, 2012. As at April 11, 2019, a total of 12,172,902 options remained issuable under the Option Plan (taking into account the Share Split).

Option grants approved on March 28, 2018 are part of the overall compensation of NEOs for the fiscal year ended February 3, 2019 and are included in the total compensation earned by NEOs for such fiscal year. See “Compensation Components – Summary Compensation Table”.

When considering new grants of options, the Human Resources and Compensation Committee takes into account a broad range of factors, including the individual’s position, the scope and breadth of his or her role and responsibility, his or her ability to affect profits, the value of his or her previous awards and other components of his or her total compensation (mainly the base salary) and the Corporation’s general compensation objectives, and aims at maintaining the general alignment with the total direct compensation of the Comparator Group.

## Executive Share Ownership Guidelines

On April 10, 2012, upon recommendation of the Nominating and Governance Committee, the Board of Directors adopted the Executive Share Ownership Guidelines applicable to NEOs in order to encourage the alignment of their interests with those of shareholders and to ensure that NEOs are financially committed to the Corporation through personal equity ownership. Within five years following an officer's appointment or designation as NEO, each NEO is expected to accumulate common shares and/or unexercised vested options equal to a multiple (ranging from 1.5 time to 3 times) of his or her annual base salary.

The following table sets forth the compliance by each NEO with the Executive Share Ownership Guidelines as at April 11, 2019.

NEO <sup>(1)</sup>	Guideline	Equity Ownership as at April 11, 2019						Total Ownership as Multiple of Base Salary
		Common Shares (#)	Market Value of Common Shares <sup>(2)</sup> (\$)	Options <sup>(3)</sup> (#)	Unexercised Vested Options (#)	Value of Vested In-the-Money Options <sup>(2)</sup> (\$)	Total Value of Equity Ownership <sup>(2)</sup> Vested Only (\$)	
Neil Rossy CEO	3x	3,215,679	124,800,502	1,650,000	1,068,000	21,390,910	146,191,412	132.9x
Michael Ross CFO	1.5x	1,400	54,334	609,000	396,600	7,191,118	7,245,452	14.3x
Johanne Choinière COO	1.5x	66,000	2,561,460	1,182,000	969,600	20,412,944	22,974,404	42.3x
Geoffrey Robillard Senior Vice President, Import Division	1.5x	1,500,000	58,215,000	—	—	—	58,215,000	29.1x
John Assaly Vice-President, Global Procurement	1.5x	—	—	125,700	91,500	2,005,609	2,005,609	5.9x

(1) Larry Rossy is not included in the table above as he stepped down from his role as Executive Chairman of the Corporation on June 7, 2018.

(2) Based on the closing price of the common shares (\$38.81) on April 11, 2019.

(3) Including option grants approved on March 27, 2019, which will be included in the "Summary Compensation Table" of the Corporation's 2020 management proxy circular. None of those options had vested as at April 11, 2019.

Compliance with the Executive Share Ownership Guidelines is reviewed annually by the Nominating and Governance Committee. All NEOs included in the above table were in compliance with the Executive Share Ownership Guidelines as at April 11, 2019.

The Executive Share Ownership Guidelines also prohibit NEOs from entering into any transaction that would operate as a hedge against, or would offset a decrease in market value of, such officer's ownership position.

## Executive Compensation Clawback Policy

On April 10, 2012, the Board of Directors adopted an Executive Compensation Clawback Policy concerning performance-based incentive awards. Under the policy, which applies to all executive officers, the Board of Directors may, at its sole discretion, to the full extent permitted by applicable laws and to the extent it determines it is in the Corporation's best interest to do so, require reimbursement of all or a portion of any performance-based incentive compensation received by an executive officer or former executive officer after the date the policy was adopted, if:

- the performance-based incentive compensation was based on the achievement of certain financial results that were subsequently restated;
- the executive officer engaged in intentional misconduct or fraud that caused or partially caused the need for the restatement; and
- the amount of performance-based incentive compensation that would have been awarded to the executive officer would have been lower had the financial results been properly reported.

## Compensation Risk Management

In accordance with its mandate, the Human Resources and Compensation Committee reviewed the Corporation's Executive Officer Compensation Policy for the year ended February 3, 2019 to determine whether it created or incentivized any inappropriate or excessive risk-taking by executive officers.

The Human Resources and Compensation Committee reviewed the list of elements identified in the course of its previous review and confirmed that the elements listed below remained relevant and adequate, in its opinion, as at the end of the fiscal year ended February 3, 2019, to (i) mitigate any incentives for executive officers to take excessive risks and (ii) increase long-term value:

- a well-balanced mix of cash and equity, fixed and performance-based compensation, annual and long-term incentives;
- a strong link between pay and overall performance of the Corporation;
- the involvement of the Human Resources and Compensation Committee in setting and reviewing targets for performance-based compensation;
- an annual market review of executive compensation to ensure continued relevance, effectiveness and alignment with the Corporation's compensation objectives;
- the use of EBITDA as a performance metric, a measure that is aligned with the Corporation's business strategy and the creation of shareholder value;
- the use of a stretch Bonus EBITDA Target approved by the Human Resources and Compensation Committee at the beginning of the fiscal year against which actual results are measured at the end of the relevant fiscal year to determine annual incentive compensation;
- the use of a sliding scale to grant incentive compensation (as opposed to an all-or-nothing proposition with a hard threshold);
- policies and practices that are generally applied on a consistent basis to all executive officers;
- a five-year vesting period applicable to all options granted by the Corporation, which keeps optionees focused on long-term performance and encourages retention;
- the fact that the Corporation's Insider Trading Policy prohibits insiders (which include, among others, the Corporation's directors and NEOs) from engaging in short-selling, trading of puts or calls of common shares or any other type of equity monetization procedure;
- the Executive Share Ownership Guidelines, which require NEOs to hold and maintain a meaningful equity ownership in the Corporation and also prohibit any hedging of equity-based compensation;
- an Executive Compensation Clawback Policy, which allows the Corporation to recover compensation paid to executive officers on the basis of intentional misconduct or fraud that caused or partially caused the need to restate financial results; and
- the fact that employment agreements of executive officers do not provide excessive severance payments in case of termination.

As mentioned earlier, incentive compensation is awarded based on the level of attainment of the Bonus EBITDA Target established by the Human Resources and Compensation Committee at the beginning of the fiscal year. Except in very exceptional and unforeseen circumstances (which have not occurred during the fiscal year ended February 3, 2019), neither the Human Resources and Compensation Committee nor the Board of Directors will exercise discretion, either to award compensation absent attainment of the relevant performance goal or to reduce or increase the size of any award or payout. However, if warranted, the Board of Directors, upon recommendation of the Human Resources and Compensation Committee, may use its discretion to apply financial consequences to an executive in the event of a material departure from expected standards applicable to this individual, such as a serious breach of the Corporation's policies, including policies aimed at monitoring and mitigating, directly or indirectly, risks associated with environmental, social and governance (ESG) factors.

Following its annual risk evaluation, the Human Resources and Compensation Committee concluded that the Executive Officer Compensation Policy is designed and administered with the appropriate balance of risk and reward, does not encourage executive officers to take inappropriate or excessive risks, does not create risks that are reasonably likely to have a material adverse effect on the Corporation and ultimately contributes to align the interests of executive officers, the Corporation and the shareholders.

## SUMMARY COMPENSATION TABLE

The following table sets out information concerning the compensation paid by the Corporation to the NEOs for the fiscal years ended February 3, 2019, January 28, 2018 and January 29, 2017.

Name and Principal Position	Fiscal Year Ended	Base Salary (\$)	Share-Based Awards (\$)	Option-Based Awards <sup>(10)</sup> (\$)	Non-Equity Incentive Plan Compensation Annual Incentive Plan <sup>(11)</sup> (\$)	Pension Value (\$)	All Other Compensation <sup>(12)</sup> (\$)	Total Compensation (\$)
Neil Rossy CEO	Feb. 3, 2019	1,100,000	—	2,221,200	605,000	14,404	—	3,940,604
	Jan. 28, 2018	900,000	—	1,452,000	1,791,900	13,692	—	4,157,592
	Jan. 29, 2017	739,929 <sup>(1)</sup>	—	1,891,000	1,407,502 <sup>(2)</sup>	15,423	—	4,053,854
Michael Ross CFO	Feb. 3, 2019	506,694	—	666,360	190,010	13,341	—	1,376,405
	Jan. 28, 2018	490,982	—	580,800	666,508	13,203	—	1,751,493
	Jan. 29, 2017	475,758	—	756,400	656,546	13,834	—	1,902,538
Johanne Choinière COO	Feb. 3, 2019	542,958	—	666,360	203,609	13,347	—	1,426,274
	Jan. 28, 2018	526,122	—	580,800	714,210	13,209	—	1,834,341
	Jan. 29, 2017	509,808	—	756,400	703,535	13,916	—	1,983,659
Geoffrey Robillard Sr. Vice President, Import Division	Feb. 3, 2019	2,000,000	—	—	1,000,000	13,250	—	3,013,250
	Jan. 28, 2018	2,000,000	—	—	1,000,000	13,115	—	3,013,115
	Jan. 29, 2017	2,000,000	—	—	1,000,000	21,223	—	3,021,223
John Assaly Vice President, Global Procurement	Feb. 3, 2019	337,980	—	129,570	84,495	13,309	—	565,354
	Jan. 28, 2018	327,818	—	72,600	296,675	13,289	—	710,382
	Jan. 29, 2017	318,270	—	94,550	292,808	12,584	—	718,212
Larry Rossy <sup>(3)</sup> Former Executive Chairman	Feb. 3, 2019	501,538 <sup>(4)</sup>	—	— <sup>(5)</sup>	188,077 <sup>(6)</sup>	— <sup>(7)</sup>	—	689,615
	Jan. 28, 2018	671,832	—	1,161,600	912,012	— <sup>(7)</sup>	—	2,745,444
	Jan. 29, 2017	698,143 <sup>(8)</sup>	—	1,512,800	1,098,609 <sup>(9)</sup>	— <sup>(7)</sup>	—	3,309,552

- (1) Represents the base salary effectively received by Neil Rossy during the fiscal year ended January 29, 2017, as Chief Merchandising Officer until April 30, 2016 (prorated, based on an annualized base salary of \$559,716) and as CEO starting May 1, 2016 (prorated, based on an annualized base salary of \$800,000).
- (2) Neil Rossy's Bonus for the fiscal year ended January 29, 2017 was calculated based on a Target Bonus of 75% of his base salary as Chief Merchandising Officer until April 30, 2016 and based on a Target Bonus of 110% of his base salary as CEO starting May 1, 2016.
- (3) Effective June 7, 2018, Larry Rossy stepped down from his role as Executive Chairman and was named Chairman Emeritus.
- (4) Represents the base salary effectively received by Larry Rossy during the fiscal year ended February 3, 2019, as Executive Chairman until June 6, 2018 (prorated, based on an annualized base salary of \$693,331) and as Chairman Emeritus starting June 7, 2018 (prorated, based on an annualized base salary of \$400,000). Larry Rossy remains an employee of the Corporation carrying out various buying and real estate related functions.
- (5) Larry Rossy did not receive an option grant on March 28, 2018 as a result of the planned announcement of him stepping down from his role as Executive Chairman. As an employee of the Corporation, he continues to hold options previously granted to him.
- (6) Larry Rossy's Bonus for the fiscal year ended February 3, 2019 was calculated based on a Target Bonus of 75% of his base salary as Executive Chairman up until June 6, 2018 and based on a Target Bonus of 75% if his base salary as Chairman Emeritus starting June 7, 2018.
- (7) Contribution rights under the Pension Plan (as hereinafter defined) expire at age 72.
- (8) Represents the base salary effectively received by Larry Rossy during the fiscal year ended January 29, 2017, as CEO until April 30, 2016 (prorated, based on an annualized base salary of \$839,573) and as Executive Chairman starting May 1, 2016 (prorated, based on an annualized base salary of \$651,000).
- (9) Larry Rossy's Bonus for the fiscal year ended January 29, 2017 was calculated based on a Target Bonus of 110% of his base salary as CEO until April 30, 2016 and based on a Target Bonus of 75% of his base salary as Executive Chairman starting May 1, 2016.
- (10) The value indicated in the table above reflects the estimated fair value of the options on their respective date of grant. It does not represent cash received by the optionees, and the actual value realized upon the future vesting and exercise of such options may be greater or less than the grant date fair value indicated in the table above. The grant date fair value of the options was estimated using the Black-Scholes option pricing model with the following assumptions:

Assumptions	Mar. 28, 2018 Grant	April 7, 2017 Grant	Mar. 29, 2016 Grant
Risk-free interest rate	2.0%	1.22%	0.83%
Expected life	6.2 years	6.2 years	6.3 years
Expected volatility	21.0%	20.4%	20.7%
Dividend yield	0.30%	0.39%	0.44%
Grant Date Fair Value (per option)	\$12.34	\$8.07	\$6.30

The Black-Scholes model is used to estimate option fair values because it is the most commonly used share-based award pricing model and is considered to produce a reasonable estimate of fair value. There is no difference between the fair value of the award on the date of grant and the fair value determined in accordance with IFRS 2, Share-based Payment calculated by use of the Black-Scholes option pricing model.

- (11) This column lists the Bonus awarded to each NEO for the services rendered in the reporting fiscal year, which Bonus was paid in the fiscal year following the reporting fiscal year.
- (12) For the fiscal years ended February 3, 2019, January 28, 2018 and January 29, 2017, none of the NEOs were entitled to perquisites or other personal benefits which, in the aggregate, represented over \$50,000 or over 10% of their total salary.

## MANAGEMENT OPTION PLAN

A total of 43,615,158 common shares, taking into account the Share Split, were set aside and reserved for allotment for the purpose of the Option Plan (the "Total Reserve") as at October 16, 2009. As at April 11, 2019, an aggregate of 31,442,256 options had been issued under the Option Plan, of which 7,787,800 remained outstanding, representing 2.5% of the issued and outstanding common shares on a non-diluted basis. As at such date, a total of 12,172,902 options remained issuable under the Option Plan, representing 3.9% of the issued and outstanding common shares on a non-diluted basis.

Under the Option Plan, options may be granted to the Corporation's employees, officers and directors. The Option Plan is administered by the Human Resources and Compensation Committee, which approves on an annual basis option grants under the Option Plan and the Annual Grant Plan, in the context of the Corporation's overall executive compensation program and its incentive and retention objectives previously described. The following discussion is qualified in its entirety by the text of the Option Plan, which can be found on SEDAR at [www.sedar.com](http://www.sedar.com).

Pursuant to the terms of the Option Plan, the aggregate number of common shares (i) reserved for issuance at any time to any one optionee shall not exceed 5% of the issued and outstanding common shares at such time, (ii) issued to any one insider and his/her associates under the Option Plan or any other proposed or established share compensation arrangement of the Corporation within any one-year period shall not exceed 5% of the issued and outstanding common shares, (iii) issued to insiders and their associates under the Option Plan or any other proposed or established share compensation arrangement within any one-year period shall not exceed 5% of the issued and outstanding common shares and (iv) issuable to insiders and their associates at any time under the Option Plan or any other proposed or established share compensation arrangement shall not exceed 5% of the issued and outstanding common shares.

Unless otherwise determined by the Board of Directors, options vest and become exercisable over a five-year period, as to twenty percent (20%) of the options on each anniversary of the date of grant, commencing on the first anniversary of the date of grant.

All options granted have an exercise price determined and approved by the Board of Directors at the time of grant, which shall not be less than the market value of the common shares at such time. For purposes of the Option Plan, the market value of the common shares shall be: (i) if the grant is made during a black-out period (a period self-imposed by the Corporation during which designated employees cannot trade the securities of the Corporation), the volume weighted average trading price of the common shares on the TSX for the five trading day period following the last day of such black-out period, and (ii) if the grant is made outside a black-out period, the volume weighted average trading price of the common shares on the TSX for the five trading day period ending on the last trading day before the day on which the options are granted.

Subject to any accelerated termination as set forth under the Option Plan, options expire and are cancelled on the tenth (10<sup>th</sup>) anniversary of the date of grant, unless the expiry date falls within a black-out period or within nine business days after the end of such black-out period, in which case such expiration date will be automatically extended without any further act or formality to that date which is the tenth (10<sup>th</sup>) business day after the end of such black-out period.

Unless otherwise determined by the Board of Directors in its discretion at any time prior to or after the following events and in any option agreement, the right to exercise vested options granted pursuant to the Option Plan will expire on the earliest to occur of the following: (a) the date on which the exercise period of the options expire, (b) 365 days from the date of the optionee's death, (c) 90 days from the date of the optionee's disability or retirement, (d) 30 days from the termination of the optionee's employment or term of office without cause, and (e) the date on which of the optionee's employment or term of office is terminated for cause by the Corporation or voluntarily by the optionee. For greater certainty, any options that were not exercisable at the time of occurrence of events contemplated above immediately expire and are cancelled on such date.

The Board of Directors may advance the date on which any option may be exercised notwithstanding the vesting schedule set forth in such option, regardless of any adverse or potentially adverse tax consequences resulting from such acceleration or, subject to applicable regulatory provisions and shareholder approval, extend the exercise period of any option, provided that the period during which an option is exercisable does not exceed 10 years from the date such option is granted or such later date as provided under the Option Plan in case of an extension due to a black-out period.

Except as provided under the Option Plan in the case of an optionee's death or disability or as otherwise specifically provided in an option agreement approved by the Board of Directors, options granted under the Option Plan may only be exercised during the lifetime of an optionee by such optionee personally. No sale, assignment, encumbrance or other transfer of options, whether voluntary, involuntary, by operation of law or otherwise (other than upon the death of an optionee), vests any interest or right in such options whatsoever in any assignee or transferee (except that an optionee may transfer options to registered retirement savings plans or registered retirement income funds of which the optionee is the annuitant and to a corporation in respect of which the optionee is the sole shareholder) and immediately upon any assignment or transfer, or any attempt to make the same, such options will terminate and be of no further force or effect.

Except as otherwise set forth in any option agreement, in the event of any change of control transaction in which there is an acquiring or surviving entity, the Board of Directors may provide for substitute or replacement options of similar value from, or the assumption of outstanding options by, the acquiring or surviving entity or one or more of its affiliates, any such substitution, replacement or assumption to be on such terms as the Board of Directors in good faith determines; provided, however, that in the event of a change of control transaction the Board of Directors may take, as to any outstanding option, any one or more of the following actions:

- provide that any or all options shall thereupon terminate, provided that any such outstanding options that have vested shall remain exercisable until consummation of such change of control; and/or
- make any outstanding option exercisable in full.

For purposes of the Option Plan, a change of control means the occurrence of (a) any transaction or series of related transactions, whether or not the Corporation is a party thereto, after giving effect to which in excess of fifty percent (50%) of the Corporation's voting power is owned directly, or indirectly through one or more entities, by any person and its affiliates; or (b) a sale, lease or other disposition of all or substantially all of the assets of the Corporation, other than in connection with an internal reorganization.

Notwithstanding anything to the contrary contained in the Option Plan or in any option agreement, in the event of a change of control, a reorganization of the Corporation, an amalgamation of the Corporation, an arrangement involving the Corporation, a take-over bid (as such term is defined in the *Securities Act* (Québec)) for all of the common shares or the sale or disposition of all or substantially all of the property and assets of the Corporation, the Board of Directors may make such provision for the protection of the rights of the optionees as the Board of Directors in its discretion considers appropriate in the circumstances, including, changing the vesting conditions of the options and the date on which any option expires.

The Option Plan also provides that appropriate adjustments, if any, will be made by the Board of Directors in connection with a reclassification, reorganization or other change of shares, consolidation, distribution, merger or amalgamation (in each case, a "Change in Capitalization"), in order to maintain the optionees' economic rights in respect of their options in connection with such Change in Capitalization, including adjustments to the exercise price or the number of common shares to which an optionee is entitled upon exercise of options, or permitting the immediate exercise of any outstanding options that are not otherwise exercisable.

The Board of Directors may amend the Option Plan or any option at any time without the consent of the optionees provided that such amendment shall (i) not adversely alter or impair any option previously granted except as permitted pursuant to certain adjustments as provided under the Option Plan, (ii) be



subject to any regulatory approvals including, where required, the approval of the TSX, and (iii) be subject to shareholder approval, where required by law or the requirements of the TSX, provided however that shareholder approval shall not be required for the following amendments and the Board of Directors may make any changes which may include but are not limited to:

- amendments of a “housekeeping” nature;
- a change to the provisions of any option governing vesting, assignability and effect of termination of an optionee’s employment or cessation of an optionee’s term of office;
- the introduction or amendment of a cashless exercise feature payable in cash or in securities, whether or not such feature provides for a full deduction of the number of underlying securities from the Total Reserve;
- the addition of a form of financial assistance and any amendment to a financial assistance provision which is adopted;
- a change to advance the date on which any option may be exercised under the Option Plan;
- a change to the eligible participants of the Option Plan, including a change which would have the potential of broadening or increasing participation by insiders; or
- the addition of a deferred or restricted share unit or any other provision which results in optionees receiving securities while no cash consideration is received by the Corporation.

In addition, the Board of Directors may, subject to regulatory approval, discontinue the Option Plan at any time without the consent of the optionees provided that such discontinuance shall not materially and adversely affect any options previously granted under the Option Plan.

For greater certainty, the Board of Directors shall be required to obtain shareholder approval to make the following amendments:

- any change to the maximum number of common shares issuable from treasury under the Option Plan, including an increase to the fixed maximum number of common shares or a change from a fixed maximum number of common shares to a fixed maximum percentage, other than an adjustment as provided under the Option Plan;
- any amendment which reduces the exercise price of any option after the options have been granted or any cancellation of an option and the substitution of that option by a new option with a reduced price, except in the case of an adjustment as provided under the Option Plan;
- any amendment which extends the exercise period of any option beyond the original exercise period, except in case of an extension due to a black-out period;
- any amendment which would permit any option granted under the Option Plan to be transferable or assignable by any optionee other than as allowed under the Option Plan;
- any amendment which increases the maximum number of common shares that may be issued to (i) insiders and their associates, or (ii) any one insider and his/her associates under the Option Plan or any other proposed or established share compensation arrangement of the Corporation in a one-year period, except in case of an adjustment as provided under the Option Plan; or
- any amendment to the amendment provisions of the Option Plan;

provided that common shares held directly or indirectly by insiders benefiting from the amendments shall be excluded when obtaining such shareholder approval.

## INCENTIVE PLAN AWARDS

### Outstanding Option-Based Awards and Share-Based Awards

The following table summarizes for each NEO the number of options outstanding under the Option Plan at the end of the fiscal year ended February 3, 2019.

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options <sup>(1)</sup> (#)	Option Exercise Price <sup>(1)</sup> (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options <sup>(4)</sup> (\$)	Number of Shares or Units of Shares that have not Vested (#)	Market or Payout Value of Share-Based Awards that have not Vested (\$)	Market or Payout Value of Vested Share-Based Awards not Paid out or Distributed (\$)
Neil Rossy CEO	120,000	7.2500	January 18, 2022	3,306,000	—	—	—
	420,000	12.0217	April 11, 2023	9,566,886	—	—	—
	120,000	14.7967	April 8, 2024	2,400,396	—	—	—
	150,000	23.6767	March 24, 2025	1,668,495	—	—	—
	300,000	30.1967	March 29, 2026	1,380,990	—	—	—
	180,000	37.3567	April 7, 2027	Nil	—	—	—
	180,000	51.2533	March 28, 2028	Nil	—	—	—
Michael Ross CFO	117,000	12.0217	April 11, 2023	2,665,061	—	—	—
	96,000	14.7967	April 8, 2024	1,920,317	—	—	—
	96,000	23.6767	March 24, 2025	1,067,837	—	—	—
	120,000	30.1967	March 29, 2026	552,396	—	—	—
	72,000	37.3567	April 7, 2027	Nil	—	—	—
	54,000	51.2533	March 28, 2028	Nil	—	—	—
Johanne Choinière COO	642,000 <sup>(2)</sup>	14.7967	April 11, 2024	12,842,119	—	—	—
	120,000 <sup>(3)</sup>	14.7967	April 11, 2024	2,400,396	—	—	—
	120,000	23.6767	March 24, 2025	1,334,796	—	—	—
	120,000	30.1967	March 29, 2026	552,396	—	—	—
	72,000	37.3567	April 7, 2027	Nil	—	—	—
	54,000	51.2533	March 28, 2028	Nil	—	—	—
Geoffrey Robillard Senior Vice President, Import Division	—	—	—	—	—	—	—
John Assaly Vice President, Global Procurement	12,000	12.0217	April 11, 2023	273,340	—	—	—
	60,000	13.6567	Sept. 10, 2023	1,268,598	—	—	—
	11,700	23.6767	March 24, 2025	130,143	—	—	—
	12,000	30.1967	March 29, 2026	55,240	—	—	—
	9,000	37.3567	April 7, 2027	Nil	—	—	—
	10,500	51.2533	March 28, 2028	Nil	—	—	—
Larry Rossy Former Executive Chairman <sup>(5)</sup>	300,000	7.2500	January 18, 2022	8,265,000	—	—	—
	900,000	12.0217	April 11, 2023	20,500,470	—	—	—
	300,000	14.7967	April 8, 2024	6,000,990	—	—	—
	300,000	23.6767	March 24, 2025	3,336,990	—	—	—
	240,000	30.1967	March 29, 2026	1,104,792	—	—	—
	144,000	37.3567	April 7, 2027	Nil	—	—	—

(1) Numbers of options and option exercise prices reflect the Share Split.

(2) On April 11, 2014, the Corporation entered into an employment agreement, effective May 12, 2014, and an option agreement with Johanne Choinière whereby the Corporation granted her, concurrently with her appointment and employment with the Corporation as COO, an option to purchase 642,000 common shares of the Corporation at an exercise price of \$14.7967 per option, taking into account the Share Split (the "Choinière Options"). The Choinière Options have a term of 10 years from the date of the grant and vest and become exercisable in equal instalments on the first, second, third, fourth and fifth anniversaries of the date of the grant. The other terms and conditions relating to the exercise of the Choinière Options are governed by the provisions of the Option Plan. As at April 11, 2019, the common shares relating to the Choinière Options represented 0.2% of the aggregate number of issued and outstanding common shares, on a non-diluted basis.

- (3) On April 11, 2014, the Corporation also entered into a second option agreement with Johanne Choinière whereby the Corporation granted her an option to purchase 120,000 common shares at an exercise price of \$14.7967 per option, taking into account the Share Split, under the Annual Grant Plan.
- (4) Based on the closing price of the common shares (\$34.80) on February 1, 2019, being the last trading day of the fiscal year ended February 3, 2019.
- (5) Larry Rossy did not receive an option grant on March 28, 2018 as a result of the planned announcement of him stepping down from his role as Executive Chairman. As an employee of the Corporation, he continues to hold options previously granted to him.

### Incentive Plan Awards – Value Vested or Earned During the Fiscal Year

The following table provides a summary of the value of option-based and share-based awards vested and of non-equity incentive plan compensation earned during the Corporation's fiscal year ended February 3, 2019.

Name	Option-Based Awards – Value Vested During the Fiscal Year <sup>(2)</sup> (\$)	Share-Based Awards – Value Vested During the Fiscal Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Fiscal Year (\$)
Neil Rossy CEO	6,671,781	—	605,000
Michael Ross CFO	5,429,015	—	190,010
Johanne Choinière COO	6,749,217	—	203,609
Geoffrey Robillard Senior Vice President, Import Division	— <sup>(3)</sup>	—	1,000,000
John Assaly Vice President, Global Procurement	2,840,134	—	84,495
Larry Rossy Former Executive Chairman <sup>(1)</sup>	12,067,869	—	188,077 <sup>(4)</sup>

- (1) Larry Rossy did not receive an option grant on March 28, 2018 as a result of the planned announcement of him stepping down from his role as Executive Chairman. As an employee of the Corporation, he continues to hold options previously granted to him.
- (2) Calculated as the difference between the market price of the common shares on the date of vesting and the exercise price payable in order to exercise the options.
- (3) Geoffrey Robillard did not hold options as at February 3, 2019.
- (4) Larry Rossy's Bonus was calculated based on a Target Bonus of 75% of his base salary as Executive Chairman up until June 6, 2018 and based on a Target Bonus of 75% if his base salary as Chairman Emeritus starting June 7, 2018.

### TERMINATION AND CHANGE OF CONTROL BENEFITS

Each of Neil Rossy, Michael Ross, Johanne Choinière and Geoffrey Robillard entered into an executive employment agreement with Dollarama L.P., the entity that operates the Dollarama business. These agreements provide for, among other things, the continuation of the executives' employment for an indeterminate term in accordance with applicable law, as well as their base salary and bonus entitlement in the event of termination without cause or constructive termination. The Corporation does not have a contractual arrangement or other agreement in place with John Assaly which contains monetary provisions that would be triggered or applied in connection with a termination without cause or constructive termination of his employment, except for his option agreement as further detailed below.

The employment agreements provide that Dollarama L.P. may terminate the employment of Neil Rossy, Michael Ross and Johanne Choinière without cause, by providing each of them with a written notice of termination of employment of 24 months or termination pay in lieu of notice representing the executive's base salary for 24 months, payable by way of salary continuance or in a lump sum payment, at the sole discretion of Dollarama L.P. The agreements also provide that in the event of the constructive termination of Neil Rossy, Michael Ross or Johanne Choinière, Dollarama L.P. shall pay to the executive a payment representing the executive's base salary for 24 months, payable by way of salary continuance or in a lump sum payment, at the sole discretion of Dollarama L.P. The employment agreement of Geoffrey Robillard provides that, in the event his employment is terminated by Dollarama L.P. without cause, or in the event of constructive termination, Dollarama L.P. shall pay to Geoffrey Robillard an aggregate amount of

\$1,000,000 as an indemnity of termination, payable over a period of three years in equal quarterly instalments.

Neil Rossy, Michael Ross, Johanne Choinière and Geoffrey Robillard are also entitled to receive, in the event of a termination without cause or constructive termination, the portion of the annual bonus earned for the fiscal year in which the date of termination occurs, prorated for the time of the NEO's employment during the relevant fiscal year and calculated based on the annual bonus formula, once the actual year-over-year EBITDA growth becomes known. These termination payments are conditional upon the executive (i) continuing to fulfill the remainder of his or her contractual obligations towards Dollarama L.P. and (ii) signing a release of any and all claims related to his or her employment or the termination thereof.

The employment agreements of Neil Rossy, Michael Ross and Johanne Choinière also provide for certain restrictive covenants that continue to apply following the termination of the executive's employment, including an obligation of non-disclosure of confidential information, assignment of intellectual property rights, and non-competition, non-solicitation of suppliers and non-solicitation of employees covenants effective for a period of 24 months following the executive's termination of employment. The employment agreement of Geoffrey Robillard contains similar obligations of non-disclosure of confidential information and assignment of intellectual property rights and provides that the non-competition, non-solicitation of suppliers and non-solicitation of employee restrictions shall continue to apply for a period of three years following the termination of his employment. In consideration of the non-competition covenant undertaken by Geoffrey Robillard, in the event that his employment is terminated by Dollarama L.P. without cause, or in the event of his constructive termination, Dollarama L.P. shall pay to Geoffrey Robillard an additional aggregate amount of \$2,000,000, payable over a period of three years in equal quarterly instalments. The option agreement of John Assaly contains certain restrictive covenants that continue to apply following the termination of his employment, including non-disclosure of confidential information, non-competition, non-solicitation of suppliers and non-solicitation of employees covenants effective for a period of 12 months following the termination of his employment.

Under their respective employment agreements and assuming that the termination without cause or constructive termination occurred on February 1, 2019, the last business day of the Corporation's fiscal year ended February 3, 2019, the NEOs (except for Larry Rossy and John Assaly) would be entitled to receive potential incremental payouts representing approximately \$2,805,000 for Neil Rossy, \$1,203,398 for Michael Ross, \$1,289,525 for Johanne Choinière and \$4,000,000 for Geoffrey Robillard.

Upon termination without cause or constructive termination, the vested options held by a NEO at the date of termination continue to be exercisable by the NEO until the earlier of (i) the date that is 30 days after the date of termination and (ii) the date which is ten (10) years from the date of the grant. Assuming that the termination occurred on February 1, 2019, the last business day of the Corporation's fiscal year ended February 3, 2019, the NEOs would be entitled to receive, upon exercise of their options, amounts representing \$16,346,696 for Neil Rossy, \$4,860,175 for Michael Ross, \$13,215,847 for Johanne Choinière and \$1,599,128 for John Assaly. Geoffrey Robillard did not hold any options as at February 1, 2019.

The actual amounts to be paid out under any of the scenarios can only be determined at the time of the NEO's actual separation from the Corporation, and the Human Resources and Compensation Committee has the discretion to recommend to the Board of Directors the payment of additional benefits to executives upon termination if it determines the circumstances so warrant.

## **PENSION BENEFITS**

The NEOs participate in the pension plan of the Corporation, a registered defined contribution plan (the "Pension Plan"). The maximum contribution rate under the Pension Plan for all eligible employees, including NEOs, is 5% of base earnings, and the Corporation matches contributions on a dollar for dollar basis, up to the registered retirement savings plan's deduction limit established by the Canada Revenue Agency. All eligible NEOs chose the maximum contribution rate for the fiscal year ended February 3, 2019.

The table below provides a summary of benefits payable to the NEOs at, following or in connection with retirement pursuant to the Pension Plan as at February 3, 2019.

<b>Name</b>	<b>Accumulated Value at Start of Fiscal Year (\$)</b>	<b>Compensatory (\$)</b>	<b>Accumulated Value at End of Fiscal Year<sup>(3)</sup> (\$)</b>
Neil Rossy CEO	122,448	14,404	154,873
Michael Ross CFO	106,105	13,341	135,202
Johanne Choinière COO	73,799	13,347	102,536
Geoffrey Robillard Senior Vice President, Import Division	127,661	13,250	157,745
John Assaly <sup>(1)</sup> Vice-President, Global Procurement	377,937	13,309	405,042
Larry Rossy Former Executive Chairman	— <sup>(2)</sup>	—	—

(1) John Assaly has been a participant in the Pension Plan (and in the pension plan of the Corporation's predecessor entity) since October 1987 whereas other NEOs only started participating in the Pension Plan on later dates.

(2) Contribution rights under the Pension Plan expire at age 72, and Larry Rossy elected to withdraw the accumulated value.

(3) Includes both compensatory and non-compensatory amounts (the latter representing employee contributions and regular investment earnings on employer and employee contributions, as applicable).

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides a summary, as at February 3, 2019, of the security-based compensation plans or individual compensation arrangements pursuant to which equity securities of the Corporation may be issued.

<b>Plan Category</b>	<b>Number of Securities to be Issued upon Exercise of Outstanding Options</b>	<b>Weighted-Average Exercise Price of Outstanding Options</b>	<b>Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (excluding securities reflected in the first column)</b>
Equity Compensation Plans Approved by Securityholders: Option Plan	6,607,600	\$22.78	12,738,402
Individual Compensation Arrangements not Approved by Securityholders: "Choinière Options" <sup>(1)</sup>	642,000	\$14.7967	N/A
<b>Total</b>	<b>7,249,600</b>		

(1) On April 11, 2014, the Corporation entered into an employment agreement, effective May 12, 2014, and an option agreement with Johanne Choinière whereby the Corporation granted the Choinière Options to Johanne Choinière, concurrently with her appointment and employment with the Corporation as COO. The Choinière Options have a term of 10 years from the date of the grant and vest and become exercisable in equal instalments on the first, second, third, fourth and fifth anniversaries of the date of the grant. The terms and conditions relating to the exercise of the Choinière Options are governed by the provisions of the Option Plan. As at April 11, 2019, the common shares relating to the Choinière Options represented 0.2% of the aggregate number of issued and outstanding common shares, on a non-diluted basis.

A maximum of 43,615,158 common shares may be issued under the Option Plan, taking into account the Share Split. As at April 11, 2019, after the March 27, 2019 grants, an aggregate of 31,442,256 options had been issued under the Option Plan, of which 7,787,800 remained outstanding, representing 2.5% of issued and outstanding common shares on a non-diluted basis. As at such date, a total of 12,172,902 options remained issuable under the Option Plan, representing 3.9% of issued and outstanding common shares on a non-diluted basis.

The table below provides the number of options granted each year under the Option Plan for the fiscal year ended February 3, 2019 and for the two preceding fiscal years expressed as a percentage of the weighted average number of outstanding common shares for the applicable fiscal year (burn rates).

<b>Fiscal Year</b>	<b>Number of Options Granted<sup>(1)</sup></b>	<b>Weighted Average Number of Outstanding Common Shares<sup>(1)</sup></b>	<b>Options Burn Rate<sup>(2)</sup></b>
2019	555,000	324,459,665	0.1711%
2018	756,000	338,252,424	0.2235%
2017	1,260,000	356,994,936	0.3529%

(1) The number of options granted during the 2017 and 2018 fiscal years and the corresponding weighted average number of outstanding common shares have been adjusted to reflect the Share Split.

(2) The burn rate is calculated by dividing the number of options granted during the applicable fiscal year by the weighted average number of common shares outstanding for the applicable fiscal year.

Since outstanding DSUs are not redeemable for common shares issuable from treasury but rather for cash or for common shares purchased on the open market, the burn rate for outstanding DSUs was nil for each of the last three completed fiscal years.

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

None of the directors, executive officers, employees, former directors, former executive officers or former employees of the Corporation or any of its subsidiaries, and none of their associates, is or has, at any time since the beginning of the most recently completed fiscal year, been indebted to the Corporation or any of its subsidiaries or another entity, where the indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar agreement or understanding provided by the Corporation or any of its subsidiaries, except for routine indebtedness.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Any transaction between the Corporation on the one hand and a related party, such as directors, officers, holders of 10% or more of the voting securities and their affiliates and associates, the immediate family members of any of the foregoing persons and any other persons whom the Board of Directors determines may be considered a related party, on the other hand, is reviewed and approved by the Board of Directors. Prior to any such review and approval, the material facts as to the related party's relationship or interest in the transaction are disclosed to the Audit Committee, which then makes a recommendation to the Board of Directors, and the transaction is not considered approved unless a majority of the directors who have no interest in the transaction approve the transaction. Moreover, the renewal of any related-party lease is submitted to the Audit Committee for review and approval.

As at February 3, 2019, the Corporation leased 21 stores, five warehouses and its head office from entities controlled by the Rossy family pursuant to long-term lease agreements. Expenses associated with related-party leases and other arrangements are established at market terms and represented an aggregate amount of approximately \$16.3 million for the fiscal year ended February 3, 2019.

On February 21, 2018, in connection with the project to expand distribution capacity in order to provide the infrastructure necessary to support the long-term growth of the store network, the Corporation acquired the existing distribution centre, which was previously leased from an entity controlled by the Rossy family, for \$39.4 million. Such transaction was approved by the independent members of the Board of Directors following the recommendation of the Audit Committee in accordance with the process described above and the Corporation believes that such transaction was made on terms no less favorable to the Corporation than could have been otherwise obtained from unaffiliated third parties.

## CORPORATE GOVERNANCE

### BOARD OF DIRECTORS

#### Independence

The Board of Directors is currently comprised of nine directors, seven of which are independent.

Pursuant to National Instrument 52-110 – *Audit Committees*, as amended from time to time (“NI 52-110”), an independent director is one who is free from any direct or indirect relationship which could, in the view of the Board of Directors, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The following table indicates the status of each director in terms of independence as at the date of this Circular.

Name	Status		Reason for Non-Independence
	Independent	Not Independent	
<b>Joshua Bekenstein</b> Member of the Human Resources and Compensation Committee Member of the Nominating and Governance Committee	✓		
<b>Gregory David</b>		✓ <sup>(1)</sup>	Gregory David is not considered independent due to his relationship with Neil Rossy and other members of the current or former management. He is Chief Executive Officer of GRI Capital Inc., a holding company controlled by the Rossy family.
<b>Elisa D. Garcia C.</b> Member of the Nominating and Governance Committee	✓		
<b>Stephen Gunn</b> Chairman of the Board of Directors Chair of the Nominating and Governance Committee Member of the Audit Committee Member of the Human Resources and Compensation Committee	✓		
<b>Kristin Mugford</b> Member of the Audit Committee	✓		
<b>Nicholas Nomicos</b> Chair of the Human Resources and Compensation Committee Member of the Audit Committee	✓		
<b>Neil Rossy</b> President and Chief Executive Officer		✓	Neil Rossy is the CEO of the Corporation.
<b>Richard Roy</b> Chair of the Audit Committee	✓		
<b>Huw Thomas</b>	✓ <sup>(2)</sup>		
<b>Total</b>	<b>7</b>	<b>2</b>	

- (1) Gregory David may not be considered independent within the meaning of NI 52-110. However, the Board of Directors does not view his relationship with members of management as impairing the ability of the Board of Directors to act independently of management or to act in the best interests of the Corporation.
- (2) Huw Thomas is considered independent within the meaning of NI 52-110. Considering that he served, until June 2018, as the Chief Executive Officer of SmartCentres REIT, an entity from which the Corporation leases a number of stores, the Board of Directors expressly reviewed his independent status for the fiscal year ended January 28, 2018 and concluded that the commercial relationship between SmartCentres REIT and the Corporation could not reasonably be expected to interfere with Mr. Thomas’ exercise of his independent judgment and his ability to act in the best interests of the Corporation. As Mr. Thomas no longer serves as the Chief Executive Officer of SmartCentres REIT and is stepping down from his role as trustee of the latter effective May 31, 2019, the determination made by the Board of Directors with respect to his independence for the fiscal year ended January 28, 2018 remains for the fiscal year ended February 3, 2019.

On June 7, 2018, Stephen Gunn was appointed Chairman of the Board of Directors succeeding Larry Rossy, who stepped down as director as of the same date and was named Chairman Emeritus. As a result of the foregoing, the position of Chairman of the Corporation's Board of Directors has been held by an independent director since June 7, 2018. See "Position Descriptions" for further details on the role of the Chairman. Larry Rossy remains an employee of the Corporation carrying out various buying and real estate related functions.

In addition to the independent chairmanship, the Corporation has implemented adequate structures and processes which permit the Board of Directors to function independently of the management of the Corporation. The Board of Directors maintains the exercise of independent supervision over management by encouraging open and candid discussion from independent directors.

Any independent director may, at any time, call a meeting or request an *in camera* portion of a board or committee meeting at which non-independent directors and members of management are not present. An *in camera* session is scheduled as part of every meeting of the Board of Directors and its committees to allow independent directors to meet without non-independent directors and members of management, as necessary. For the fiscal year ended February 3, 2019, the Board of Directors held four (4) *in camera* sessions, the Audit Committee held four (4) *in camera* sessions and the Human Resources and Compensation Committee held one (1) *in camera* session.

## Skills

Each director has a wealth of experience in senior executive leadership and strategic planning and, collectively, directors possess the skills and expertise that enable the Board of Directors to carry out its responsibilities.

The skills matrix set out below is used to assess the overall strengths of directors and to assist in the ongoing renewal process of the Board of Directors. Although directors have a breadth of experience in many areas, the skills matrix below lists four (4) industry-specific expertises and eight (8) general business competencies determined by the Board of Directors as being important to the Corporation, and highlights five (5) key skills for each director. This matrix is not intended to be an exhaustive list of each director's skills.

	J. Bekenstein	G. David	E. Garcia	S. Gunn <sup>(1)</sup>	K. Mugford <sup>(1)</sup>	N. Nomicos <sup>(1)</sup>	N. Rossy	R. Roy <sup>(1)</sup>	H. Thomas <sup>(1)</sup>
<b>TOP FIVE SKILLS</b>									
<b>Industry-Specific Expertise</b>									
Retail industry	✓	✓	✓	✓		✓	✓		✓
Distribution, warehousing and logistics						✓	✓	✓	
International sourcing							✓		
Real estate		✓							✓
<b>General Business Competencies</b>									
Senior executive leadership / Strategic planning	✓	✓	✓	✓	✓	✓	✓	✓	✓
Financial accounting and reporting expertise				✓	✓	✓		✓	✓
International development and operations	✓		✓						
Risk management and mitigation					✓			✓	✓
Information technology and security		✓					✓		
Human resources / Executive compensation	✓			✓	✓	✓		✓	
Corporate governance	✓		✓	✓	✓				
Legal		✓	✓						

(1) These individuals are all "financially literate" within the meaning of NI 52-110.



## Directorship of Other Reporting Issuers

Some members of the Board of Directors are also members of the boards of other public companies. See “Nominees for Election to the Board of Directors – Description of Proposed Director Nominees”.

The Board of Directors did not adopt a director interlock policy but is keeping informed of other public directorships held by its members. As at the date of this Circular, Joshua Bekenstein and Nicholas Nomicos served together on one other public company board, BRP Inc., and Joshua Bekenstein and Stephen Gunn served together on one other public company board, Canada Goose Holdings Inc.

## Attendance Record

The following table summarizes the attendance of individual directors at meetings of the Board of Directors and its committees held during the fiscal year ended February 3, 2019. Directors are expected to attend all meetings and each director generally attends all meetings, subject to occasional scheduling conflicts.

Director	Board of Directors (8 meetings)		Audit Committee (4 meetings)		Human Resources & Compensation Committee (4 meetings)		Nominating & Governance Committee (2 meetings)		Total Attendance	
	Number	%	Number	%	Number	%	Number	%	Number	%
Joshua Bekenstein	8	100.0	—	—	4	100.0	2	100.0	14/14	100.0
Gregory David	8	100.0	—	—	—	—	—	—	8/8	100.0
Elisa D. Garcia C.	8	100.0	—	—	—	—	2	100.0	10/10	100.0
Stephen Gunn <sup>(1)</sup>	8 (Chair)	100.0	4	100.0	4	100.0	2 (Chair)	100.0	18/18	100.0
Kristin Mugford	6 <sup>(2)</sup>	100.0	3 <sup>(2)</sup>	100.0	—	—	—	—	9/9	100.0
Nicholas Nomicos	8	100.0	4	100.0	4 (Chair)	100.0	—	—	16/16	100.0
Neil Rossy	8	100.0	—	—	—	—	—	—	8/8	100.0
Richard Roy	7	87.5	4 (Chair)	100.0	—	—	—	—	11/12	91.7
Huw Thomas	8	100.0	—	—	—	—	—	—	8/8	100.0

(1) Stephen Gunn held the position of Lead Director up until his appointment as Chairman of the Board of Directors on June 7, 2018, succeeding Larry Rossy.

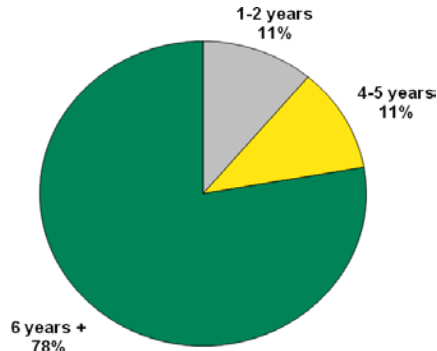
(2) Kristin Mugford was appointed as independent director and member of the Audit Committee on March 29, 2018. She participated in all of the meetings held since her appointment.

## Board of Directors Size

The Board of Directors will be comprised of nine (9) directors in the event that all of the proposed director nominees are elected. See “Nominees for Election to the Board of Directors – Description of Proposed Director Nominees”. The Board of Directors is of the view that its size and its composition are adequate and allow for the efficient functioning of the Board of Directors as a decision making body.

## Director Tenure

The following chart shows the tenure (number of completed years of service since 2004) of the Board of Directors.



The average tenure of the Corporation's current directors is 9.3 years, and the average tenure of non-executive directors is 8.8 years.

## Director Term Limits and Other Mechanisms for Board Renewal

The Corporation does not have a retirement policy for directors. The Nominating and Governance Committee considered whether to propose the adoption of term limits for directors or other mechanisms for board renewal, and determined not to do so. The Board of Directors fully endorses the recommendation because it believes that imposing a term limit or an arbitrary retirement age would discount the value of experience and continuity of board service, and may unnecessarily deprive the Corporation of the contribution of directors who have developed a deep knowledge of the Corporation over time.

Even though director term limits may provide opportunities to enhance diversity, the Board of Directors believes that renewal should be driven by results of director evaluations, both formal and informal, and a periodic review of the director skills matrix to ensure that the Board of Directors, as a whole, is functioning efficiently.

Non-executive directors average 8.8 years of service, and service ranges from one year to fourteen years. At this point in time, the Board of Directors does not believe that average tenure is too lengthy or excessive. The Nominating and Governance Committee will continue to fulfill its responsibility of assessing the size, composition and effectiveness of the Board of Directors, and will make recommendations as deemed appropriate on whether to nominate a director for re-election.

## Mandate of the Board of Directors

The Board of Directors is responsible for supervising the management of the business and affairs of the Corporation. The Board of Directors' key responsibilities relate to the stewardship of management, generally through the CEO, to pursue the best interests of the Corporation, and include the following:

- (i) reviewing and approving the strategic plan and in relation thereto, approving the annual business and capital plans and policies and processes generated by management relating to the authorization of major investments and significant allocations of capital;
- (ii) supervising senior management and reviewing, in conjunction with the Human Resources and Compensation Committee and the Nominating and Governance Committee, as applicable, the succession planning of the Corporation and ensuring that other executives are in place to ensure sound management of the Corporation;
- (iii) ensuring that the Corporation has risk management systems in place;
- (iv) ensuring that the Corporation has appropriate internal controls and corporate governance policies in place and reviewing, as applicable, the Nominating and Governance Committee's

recommendations regarding the Corporation's corporate governance policies, the disclosure in the Corporation's public disclosure documents relating to corporate governance practices, the relationship between management and the Board of Directors and the Board of Directors' ability to act independently from management; and

- (v) ensuring a business ethics, compliance and corporate governance mindset and the creation of a culture of integrity throughout the organization.

Under its mandate, the Board of Directors is entitled to engage outside advisors, at the Corporation's expense, where, in the view of the Board of Directors, additional expertise or advice is required. The mandate of the Board of Directors is attached hereto as Schedule A.

### **Majority Voting Policy**

The Corporation does not employ the practice of "slate voting" and, as such, at meetings of shareholders where directors are to be elected, shareholders of the Corporation are entitled to vote in favour of, or to withhold from voting, separately for each director nominee. The Secretary of the Corporation ensures that the number of shares voted in favor or withheld from voting for each director nominee is recorded and promptly disclosed after the meeting.

On April 11, 2013, the Board of Directors adopted a majority voting policy in order to promote enhanced director accountability. Minor amendments were made to the policy in April 2015 and April 2017. The policy stipulates that, in an "uncontested election" (as defined below) of directors, any nominee who receives a greater number of votes "withheld" than votes "for" his or her election will promptly tender his or her resignation to the Nominating and Governance Committee for consideration.

The Nominating and Governance Committee shall consider the resignation and recommend to the Board of Directors the action to be taken with respect to such tendered resignation. Absent exceptional circumstances, the Nominating and Governance Committee will accept and recommend acceptance of the resignation by the Board of Directors. Absent exceptional circumstances, the Board of Directors will follow the recommendation of the Nominating and Governance Committee and accept the resignation. A press release disclosing the Board of Directors' determination (and the reasons for rejecting the resignation, if applicable) shall be issued within 90 days following the date of the meeting of shareholders. A copy of such press release shall be sent concurrently to the TSX. The resignation will become effective when accepted by the Board of Directors.

Any director who tenders his or her resignation pursuant to this policy shall not participate in the recommendation of the Nominating and Governance Committee or the decision of the Board of Directors with respect to such resignation.

Subject to any restrictions imposed by law, in the case where the Board of Directors accepts any tendered resignation in accordance with the majority voting policy, the Board of Directors may leave the vacancy unfilled until the next annual meeting of shareholders, fill the vacancy through the appointment of a new director or call a special meeting of shareholders during which a new candidate will be presented to fill the vacant position.

The policy only applies in circumstances involving an uncontested election of directors. For purposes of the majority voting policy, an "uncontested election" means any meeting of shareholders called for, either alone or with other matters, the election of directors, with respect to which (i) the number of nominees for election is equal to the number of positions on the Board of Directors to be filled through the election to be conducted at such meeting and/or (ii) proxies are being solicited for such election of directors solely by the Corporation.

## **Position Descriptions**

### *Chairman of the Board of Directors and Committee Chairs*

Stephen Gunn is the Corporation's independent Chairman of the Board of Directors. The Board of Directors has adopted a written position description for the Chairman which sets out the Chairman's key responsibilities, including duties related to Board of Directors' meetings, shareholders' meetings, director development and communication with shareholders and regulators.

The Board of Directors has also adopted a written position description for each of the committee chairs which sets out each of the committee chair's key responsibilities, including duties relating to setting committee meeting agendas, chairing committee meetings and working with the respective committee and management to ensure, to the greatest extent possible, the effective functioning of the committee. These descriptions are reviewed by the Board of Directors upon recommendation of the Nominating and Governance Committee.

### *CEO*

Neil Rossy is the Corporation's CEO since May 1, 2016 and sits on the Board of Directors since 2004. The primary functions of the CEO are to lead the management of the Corporation's business and affairs and to lead the implementation of the resolutions and the policies of the Board of Directors. The Board of Directors has developed a written position description and mandate for the CEO which sets out the CEO's key responsibilities, including duties relating to strategic planning, operational direction, interaction with the Board of Directors, succession planning and communication with shareholders. The CEO mandate is reviewed by the Board of Directors annually.

## **BOARD OF DIRECTORS COMMITTEES**

### **Audit Committee**

The audit committee of the Corporation (the "Audit Committee") is composed of four (4) directors, namely Stephen Gunn, Kristin Mugford, Nicholas Nomicos and Richard Roy, all of whom are and must at all times be financially literate and independent within the meaning of NI 52-110. Richard Roy serves as the Chair of the Audit Committee. For more information regarding the relevant education, professional background and experience of each member of the Audit Committee, please refer to the section entitled "Nominees for Election to the Board of Directors - Description of Proposed Director Nominees" of this Circular.

The Board of Directors has adopted a written charter for the Audit Committee, which sets out the Audit Committee's key responsibilities, including reviewing the financial statements of the Corporation and reporting on such review to the Board of Directors, ensuring that adequate procedures are in place for the review of the Corporation's public disclosure documents that contain financial information, overseeing the work and reviewing the independence of the external auditor and reviewing, evaluating and approving the internal control procedures that are implemented and maintained by management.

As part of its mandate, the Audit Committee has been delegated the primary risk oversight responsibility and reports periodically to the Board of Directors on its findings. More specifically, the Audit Committee is responsible to ensure that risks facing the Corporation are identified, assessed, monitored and appropriately managed and mitigated. An enterprise-wide risk assessment is conducted by management on an annual basis to reassess the risk profile of the Corporation, identify new risks to the business and update the risk dashboard, and findings are shared with the Audit Committee. In addition, the Audit Committee receives quarterly presentations from management on the principal risks facing the Corporation, including ESG-related risks, and assesses the adequacy and effectiveness of the measures implemented to monitor, manage and mitigate these risks. The charter of the Audit Committee was amended on April 11, 2019 to expressly reflect the ESG risk oversight responsibility delegated by the Board of Directors to the Audit Committee.

Additional information relating to the Audit Committee can be found in the section entitled "Audit Committee Information" of the Corporation's annual information form available on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Corporation's website at [www.dollarama.com](http://www.dollarama.com).

## **Human Resources and Compensation Committee**

The Human Resources and Compensation Committee is composed of three (3) directors, namely Joshua Bekenstein, Stephen Gunn and Nicholas Nomicos, all of whom are independent. Nicholas Nomicos serves as the Chair of the Human Resources and Compensation Committee.

Each of these directors has a wealth of experience designing effective management incentive and compensation plans to attract and retain highly qualified executives and to align NEOs' performance objectives with those of the Corporation's stakeholders. The members of the Human Resources and Compensation Committee have several years of experience negotiating executive compensation agreements and managing or advising large private and public corporations on compensation matters. For more information regarding the professional background and experience of each member of the Human Resources and Compensation Committee, please refer to the section entitled "Nominees for Election to the Board of Directors - Description of Proposed Director Nominees" of this Circular.

The Human Resources and Compensation Committee is charged with overseeing the administration of the Corporation's compensation plans, assisting the Board of Directors with its responsibilities in regard of the Corporation's executive officers' compensation, and reviewing and approving the disclosure of executive compensation as required by securities laws before such disclosure is disseminated to the public.

As part of its oversight of the implementation of the Corporation's compensation plans and policies, the Human Resources and Compensation Committee reviews and makes recommendations to the Board of Directors with respect to the adoption or amendment of incentive and equity-based compensation plans for the Corporation.

The Human Resources and Compensation Committee annually reviews and approves the corporate goals and objectives relevant to the compensation of NEOs, evaluates their performance in light of these goals and objectives and makes recommendations to the Board of Directors regarding their compensation packages. In setting compensation, the Human Resources and Compensation Committee considers all factors it deems relevant including the value of proposed compensation packages against those offered by companies comprising the Comparator Group to individuals with similar responsibilities, realized and realizable compensation earned by NEOs in prior years as well as shareholder return over the same period. The Human Resources and Compensation Committee has also been delegated by the Board of Directors the responsibility to conduct an annual evaluation of compensation-related risks.

Finally, the Human Resources and Compensation Committee is responsible for monitoring the succession planning process for NEOs as well as other key members of the senior management team. The objective of this process is to identify individuals who are able to move into key leadership roles not only in the normal course of the Corporation's growth but also in the event of an unplanned vacancy, and to assist these individuals in developing their skills and competencies. The Human Resources and Compensation Committee receives periodic updates from management on this leadership succession planning process, discusses succession scenarios, assesses the readiness of potential candidates to fill senior leadership roles and identifies roles for which an external talent search may be required.

The Human Resources and Compensation Committee may retain external compensation consultants to assist in the proper discharge of its mandated responsibilities.

The Board of Directors has adopted a written charter describing the mandate of the Human Resources and Compensation Committee. The charter of such committee was amended on April 23, 2012 to expressly reflect the compensation risk oversight responsibility delegated by the Board of Directors to the Human Resources and Compensation Committee.

The Human Resources and Compensation Committee's responsibilities include the following:

- (i) reviewing and approving and then recommending to the Board of Directors the compensation of NEOs;

- (ii) reviewing and approving corporate goals and objectives relevant to the compensation of NEOs, including the evaluation of their performance in light of those goals and objectives and determining their respective compensation packages based on these evaluations;
- (iii) designing, establishing and overseeing the Corporation's executive compensation policy;
- (iv) considering, at least annually, the implications of the risks associated with the Corporation's executive compensation policy and/or practices;
- (v) reviewing and approving annually the compensation discussion and analysis to be included in the Corporation's management proxy circular;
- (vi) reviewing, at least annually, compensation market data and competitor benchmark data to attract and retain the human resources needed;
- (vii) administering the Annual Grant Plan and granting options, up to a number corresponding to the maximum number of shares reserved for issuance under the Option Plan and approved for distribution by the Board of Directors, in accordance with the terms of the Annual Grant Plan;
- (viii) developing and reviewing the Corporation's management succession plans;
- (ix) making recommendations to the Board of Directors with respect to such other compensation plans or structures to be adopted by the Corporation from time to time; and
- (x) making recommendations regarding the Corporation's overall compensation philosophy and strategy.

### **Nominating and Governance Committee**

The Nominating and Governance Committee is composed of three (3) independent directors, namely Stephen Gunn, Joshua Bekenstein and Elisa D. Garcia C. Stephen Gunn serves as the Chair of the Nominating and Governance Committee.

The Nominating and Governance Committee is mandated by the Board of Directors to assess, develop, recommend and review corporate governance policies and guidelines for the Corporation and ensure their implementation within the Corporation, review the size of the Board of Directors to ensure optimal decision-making and effectiveness, coordinate an annual evaluation of the Board of Directors, identify individuals qualified to become directors and recommend such individuals to the Board of Directors for election or appointment to the Board of Directors, and make recommendations to the Board of Directors concerning committee appointments.

The Nominating and Governance Committee is also responsible for monitoring the relationship between management and the Board of Directors, and to review the Corporation's governance structures to ensure that the Board of Directors is able to function independently of management. As necessary, the Nominating and Governance Committee may retain external advisors to assist in the proper discharge of its mandated responsibilities. The Nominating and Governance Committee reviews the mandate of the Board of Directors and the charter for each committee of the Board of Directors and recommends changes, as necessary, to the Board of Directors.

The Board of Directors has adopted a written charter describing the mandate of the Nominating and Governance Committee.

### **ORIENTATION AND CONTINUING EDUCATION**

The Corporation provides an orientation process for newly elected or appointed members of the Board of Directors to enhance their understanding of the Corporation and their responsibilities as directors. As part of this orientation process, the Chairman explains the role of the Board of Directors, its committees and the expectations of directors with respect to contribution and time commitment. New directors are provided with extensive information on the Corporation's corporate organization, operations, strategy, industry position, business plan and financial results. In order to fully grasp the role they are expected to play as directors and/or committee members, new directors are also provided with copies of the Corporation's key documents, including the Code of Conduct, insider trading and public disclosure

policies, the mandate of the Board of Directors and the charters of each committee as well as the position descriptions for the CEO, the Chairman and the chairs of each committee.

As part of its mandate, the Nominating and Governance Committee is also responsible for providing continuing education for all members of the Board of Directors. Senior management members make regular presentations to the Board of Directors in each of their respective areas, and directors are invited to meet individually with the CEO, the CFO, the COO and other senior executives of the Corporation to discuss further any topic of interest in order to ensure that their knowledge and understanding of the Corporation's business remains current. Management periodically briefs the Board of Directors with up-to-date industry and benchmarking information, and experts are also invited to make presentations to the Board of Directors on relevant subjects of interest to the directors. Furthermore, tours of the warehouses, the distribution centre and the stores are held periodically to allow directors to enhance their understanding of the operational aspects of the Corporation's business.

The Corporation encourages directors to attend conferences, seminars or courses relevant to their directorship at the Corporation. The Corporation reimburses directors for expenses incurred by attending such events.

## **CODE OF CONDUCT**

The Board of Directors has adopted a written code of conduct (the "Code of Conduct") that applies to all directors, officers, head office management and employees, warehouse management, distribution centre management, field management and store management, including those employed by subsidiaries. The Code of Conduct has been circulated to all such persons to whom it applies. Employees are asked to countersign the Code of Conduct upon receipt and to confirm, on an annual basis, their adherence to the Code of Conduct.

The objective of the Code of Conduct is to provide guidelines for maintaining the integrity, reputation, honesty, objectivity and impartiality of Dollarama, its subsidiaries and business units. The Code of Conduct addresses conflicts of interest, protection of assets and opportunities, confidentiality, fair dealing with securityholders, customers, suppliers, competitors, employees and other business partners, insider trading, compliance with laws and reporting of any illegal or unethical behaviour.

Any person subject to the Code of Conduct is required to avoid or fully disclose interests or relationships that are harmful or detrimental to the Corporation's best interests or that may give rise to real, potential or apparent conflicts of interest.

The Code of Conduct also provides for procedures to report breaches of the Code of Conduct or any illegal or unethical behaviour anonymously to one's immediate supervisor(s) and/or any other person designated under the Code of Conduct (each a "Designated Person"). Upon receipt of a complaint, a Designated Person is required to review and assess the seriousness of the complaint, with the assistance of the Board of Directors or the persons or committee appointed under the Code of Conduct if needed. On a quarterly basis and upon request, a Designated Person may be mandated to prepare a report for the Board of Directors or the persons or committee appointed under the Code of Conduct, which report must provide for a description of all the complaints received over the applicable period. Those procedures have been established to ensure that the Board of Directors or the persons or committee appointed under the Code of Conduct have the ultimate responsibility for the stewardship of the Code of Conduct.

The Code of Conduct was filed with the Canadian securities regulatory authorities and is available on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Corporation's website at [www.dollarama.com](http://www.dollarama.com).

## **NOMINATION OF DIRECTORS**

The Nominating and Governance Committee is responsible for identifying, assessing and proposing new director nominees and for the assessment of current directors. The Nominating and Governance Committee actively seeks individuals qualified to become members of the Board of Directors and

recommends such individuals for election to the Board of Directors by the shareholders or for appointment by the Board of Directors to fill a vacancy.

The Nominating and Governance Committee uses the matrix presented above to assist in reviewing the general business experience and the industry-specific expertise of directors and of the Board of Directors as a whole. Directors and director nominees are not required to have significant experience and expertise in each of these areas. The Nominating and Governance Committee rather aims for the right balance and mix of skills and ensures that the Board of Directors, as a group, is well versed in those areas that are critical to the Corporation's success. When looking for potential director nominees, this matrix is an important tool used by the Nominating and Governance Committee to review strengths of incumbent directors and identify potential gaps in competencies and search for qualified candidates that have such competencies.

In addition to their expertise and experience, candidates must display ethical conduct, integrity and seasoned business judgment. Strong interpersonal skills are also essential to ensure open, candid, collegial and effective discussion and debate among the directors. Diversity, including gender diversity, is also one of the criteria considered in the director identification and selection process, as now formally embedded in the Board Diversity Policy adopted by the Board of Directors on March 28, 2018.

Finally, the Nominating and Governance Committee evaluates the ability of the candidate to devote sufficient time and resources to participate actively on the Board of Directors, and assesses potential conflicts of interest.

Throughout the process, the Chair of the Nominating and Governance Committee updates the Board of Directors and solicits input on candidates. Candidates are interviewed by members of the Nominating and Governance Committee and other directors, as appropriate. The Nominating and Governance Committee ultimately makes a recommendation to the Board of Directors, which approves the candidate for appointment or for election at the next annual meeting of shareholders, as applicable.

The Nominating and Governance Committee may identify candidates through individuals known or recommended to the members of the Board of Directors. The Nominating and Governance Committee may also seek assistance from search firms for the identification of candidates for nomination as directors. The search for qualified individuals is an ongoing process, regardless of whether there is a vacancy on the Board of Directors.

The Board of Directors is of the view that its size and composition are adequate and allow for efficient functioning of the board as a decision making body. The Nominating and Governance Committee reviews the director skills matrix periodically to ensure that it remains aligned with the Corporation's strategic plan and the Board of Directors' needs.

## **ADVANCE NOTICE OF DIRECTOR NOMINATIONS**

At the annual meeting of shareholders of the Corporation held on June 7, 2017, the shareholders ratified and confirmed By-Law No.2, a by-law relating to the advance nomination of directors of the Corporation by shareholders (the "Advance Notice By-Law").

Among other things, the Advance Notice By-Law fixes deadlines by which shareholders must submit a notice of director nominations to the Corporation prior to any annual or special meeting of shareholders where directors are to be elected and sets out the information that a shareholder must include in the notice. The Advance Notice By-Law does not interfere with the ability of shareholders to requisition a meeting or to nominate directors by way of a shareholder proposal in accordance with the *Canada Business Corporations Act*.

To be timely, a shareholder must give a valid notice to the Corporation:



- (i) in the case of an annual meeting of shareholders (including an annual and special meeting), not less than thirty (30) days prior to the date of the meeting, provided, however, that in the event that the meeting is to be held on a date that is less than fifty (50) days after the date on which the first public announcement of the date of the meeting was made, notice by the nominating shareholder shall be made not later than the close of business on the tenth (10<sup>th</sup>) day following such public announcement; and
- (ii) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not also called for other purposes), not later than the close of business on the fifteenth (15<sup>th</sup>) day following the day on which the first public announcement of the date of the meeting was made.

The Advance Notice By-Law authorizes the chair of the meeting to determine whether a nomination was made in accordance with the procedures set forth in the Advance Notice By-Law and, if any proposed nomination is not in compliance with the Advance Notice By-Law, to declare that such defective nomination shall be disregarded. The Board of Directors may, in its sole discretion, waive any requirement of the Advance Notice By-Law.

The Advance Notice By-Law was filed with the Canadian securities regulatory authorities and is available on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Corporation's website at [www.dollarama.com](http://www.dollarama.com).

## **DIVERSITY**

### **Representation of Women on the Board of Directors**

The Nominating and Governance Committee is mandated by the Board of Directors to, among other things, identify individuals qualified to become directors and recommend such individuals for election at annual meetings of shareholders or for appointment to fill vacancies occurring between meetings. In fulfilling its mandate, the Nominating and Governance Committee strives to ensure that the Board of Directors is populated by individuals who have diverse backgrounds, not only in terms of gender, but also in terms of national origin, ethnic background, skills, professional experience, viewpoint and other individual qualities and attributes that will further the interests of the Corporation.

The Board of Directors recognizes the value and importance of diversity, including gender diversity, and, on March 28, 2018, adopted a written policy that sets out the Corporation's approach to diversity on the Board of Directors (the "Board Diversity Policy"). Under the Board Diversity Policy, the Board of Directors has set a target to continue to have each gender comprise at least 25% of the independent members of the Board of Directors. While gender diversity is one of the criteria embedded in the director identification and selection process, recommendations for election and appointment to the Board of Directors will continue to be made primarily based on merit, in light of a variety of other factors, including the skills, experience, independence and knowledge that the Board of Directors, as a whole, requires to be most effective.

Under the Board Diversity Policy, the Nominating and Governance Committee will require that every search for new directors include diverse candidates. In addition to its own search, any search firm engaged to assist the Nominating and Governance Committee and the Board of Directors in identifying candidates for appointment as directors will be specifically directed to put forth an equal number of female candidates in comparison to male candidates.

As at the date hereof, two out of nine directors (22%), or two out of seven independent directors (29%), are women. The Board of Directors remains committed to increasing diversity as turnover occurs in the normal course, taking into account skills, background, experience and expertise desired at that particular time to complement the mix of skills and experience of other directors.

The Nominating and Governance Committee is responsible for monitoring and reviewing the Board Diversity Policy on an annual basis.

## **Representation of Women in Executive Officer Positions**

The Corporation is committed to promoting diversity and inclusion at all levels of the organization and takes into account the representation of women and the importance of diversity when filling executive level positions.

Because of the limited size of the executive team and the need to ensure that recruitment efforts and appointments are primarily based on the merits of the individuals and the needs of the Corporation at the relevant time, the Board of Directors has decided not to set targets regarding the representation of women in executive officer positions. However, the Board of Directors is committed to equality of opportunity and to the recruitment, retention, development and promotion of qualified female candidates among its workforce, including at the highest levels. As at the date hereof, the offices of COO and Corporate Secretary are occupied by women, out of a total of six executive officers appointed by the Board of Directors (33%).

## **ASSESSMENTS**

The Nominating and Governance Committee is responsible for providing oversight of the evaluation of the performance and effectiveness of the Board of Directors as a whole, its committees, the Chairman, committee chairs and the individual directors. Every year, the Chair of the Nominating and Governance Committee meets with each director in order to discuss the director's performance and contribution to the Board of Directors and its committees, as applicable, and such director's assessment of the Board of Directors', the committees' and other directors' performance as well as to identify areas for improvement with respect to the practices of the Board of Directors and its committees. All directors are free to make suggestions and are encouraged to do so. The Nominating and Governance Committee receives comments and discusses any such comments. The Chair of the Nominating and Governance Committee then presents the committee's findings and recommendations to the Board of Directors.

## **INDEMNIFICATION AND INSURANCE**

The Corporation currently purchases a total of \$120 million of directors and officers insurance coverage, including an excess Side A difference in conditions (DIC) coverage of \$25 million. The Corporation also entered into indemnification agreements with each of its directors. The indemnification agreements generally require that the Corporation indemnify and hold the indemnitees harmless to the greatest extent permitted by law for liabilities arising out of the indemnitees' service to the Corporation as directors, provided that the indemnitees acted honestly and in good faith and in a manner the indemnitees reasonably believed to be in or not opposed to the Corporation's best interests and, with respect to criminal and administrative actions or proceedings that are enforced by monetary penalty, the indemnitees had no reasonable grounds to believe that their conduct was unlawful. The indemnification agreements also provide for the advancement of defence expenses to the indemnitees by the Corporation.

## **GENERAL**

Information contained herein is given as at April 11, 2019, except as otherwise stated. Management of the Corporation knows of no matter to come before the Meeting other than the matters referred to in the Notice of Meeting.

## **ADDITIONAL INFORMATION**

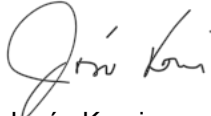
The Corporation's financial information is included in the audited financial statements of the Corporation and notes thereto and in the accompanying management's discussion and analysis for the fiscal year ended February 3, 2019. Copies of these documents and additional information concerning the Corporation can be found on SEDAR under the Corporation's profile at [www.sedar.com](http://www.sedar.com), on the Corporation's website at [www.dollarama.com](http://www.dollarama.com) and at [www.envisionreports.com/Dollarama2019](http://www.envisionreports.com/Dollarama2019), and may

also be obtained upon request made to the Corporate Secretary of the Corporation, Josée Kouri, either by mail at 5805 Royalmount Avenue, Montreal, Québec, H4P 0A1, or by email to [corporatesecretary@dollarama.com](mailto:corporatesecretary@dollarama.com).

### **APPROVAL BY DIRECTORS**

The content and the sending to the shareholders of this Circular have been approved by the Board of Directors of the Corporation.

Dated at Montreal, this 11<sup>th</sup> day of April 2019.

A handwritten signature in black ink, appearing to read 'Josée Kouri', is positioned above the printed name and title.

Josée Kouri  
Vice-President, Legal Affairs and Corporate Secretary

**SCHEDULE A**  
**MANDATE OF THE BOARD OF DIRECTORS**  
**OF**  
**DOLLARAMA INC.**  
(the “Corporation”)

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**1. PURPOSE**

The members of the Board of Directors (the “**Board**”) have the duty to supervise the management and affairs of the Corporation. The Board, directly and through its committees, shall provide direction to senior management, generally through the chief executive officer (the “**CEO**”), to pursue the best interests of the Corporation.

**2. DUTIES AND RESPONSIBILITIES**

The Board shall have the specific duties and responsibilities outlined below:

**A. Strategic Planning**

- (1) At least annually, the Board shall review and, if advisable, approve the Corporation’s strategic planning process and the Corporation’s annual strategic plan. In discharging this responsibility, the Board shall review the plan in light of management’s assessment of emerging trends, the competitive environment, the opportunities for the business of the Corporation, risk issues, and significant business practices and products.
- (2) The Board shall review and, if advisable, approve the Corporation’s annual business and capital plans as well as policies and processes generated by management relating to the authorization of major investments and significant allocation of capital.
- (3) The Board shall review management’s implementation of the Corporation’s strategic, business and capital plans. The Board shall review and, if advisable, approve any material amendments to, or variances from, these plans.

**B. Risk Management**

- (1) The Board shall periodically identify the principal risks associated with the Corporation’s business and operations, review the implementation by management of appropriate systems to manage these risks, and review the reports by management relating to the operation of, and any material deficiencies in, these systems.
- (2) The Board shall verify that internal, financial, non-financial and business control and management information systems have been established by management.

**C. Human Resource Management**

- (1) At least annually, the Board shall review the Human Resources and Compensation Committee’s recommendations regarding the compensation of the CEO, the other executive officers and the Eligible Board members (as defined in the Director Compensation Policy).
- (2) At least annually, the Board shall review, in conjunction with the Nominating and Governance Committee, the succession plans of the Corporation for the chair of the Board (the “**Chair**”), the lead director of the Board (the “**Lead Director**”) as applicable, the CEO and other executive officers, including the appointment, training and monitoring of such persons.

- (3) The Board shall, to the extent feasible, satisfy itself as to the integrity of the CEO and other executive officers of the Corporation and that the CEO and other senior officers strive to create a culture of integrity throughout the Corporation.

**D. Corporate Governance**

- (1) The Board shall review as applicable, the Nominating and Governance Committee's recommendations regarding the Corporation's corporate governance policies, the disclosure in the Corporation's public disclosure documents relating to corporate governance practices, the relationship between management and the Board, the Board's ability to act independently from management.
- (2) The Board has adopted the Code of Conduct and Ethics (the "**Code**") applicable to directors, officers and employees of the Corporation. At least annually, the Board shall review compliance with, or material deficiencies from, the Code. The Board shall receive reports from the CEO and/or Chief Financial Officer regarding breaches of the Code. The Board shall review investigations and any resolutions of complaints received under the Code.
- (3) The Board shall monitor conflicts of interest (real or perceived) of both the Board and management in accordance with the Code.
- (4) From time to time or as required, the Board shall review the Nominating and Governance Committee's recommendations regarding the Board Mandate and the mandates for each committee of the Board, together with the position descriptions of each of the Chair, the CEO, the Lead Director (as applicable) and the chairs of each Board committee.

**E. Communications**

- (1) As required, the Board shall review the Nominating and Governance Committee's recommendations regarding the Corporation's disclosure policy, including measures for receiving feedback from the Corporation's stakeholders, and management's compliance with such policy.
- (2) The Corporation endeavors to keep its shareholders informed of its progress through an annual report, annual information form, quarterly interim reports and periodic press releases. Directors and management meet with the Corporation's shareholders at the annual meeting and are available to respond to questions at that time.

**F. Composition**

- (1) The composition and organization of the Board, including the number, qualifications and remuneration of directors, the number of Board meetings, Canadian residency requirements, quorum requirements, meeting procedures and notices of meetings shall comply with applicable requirements of the *Canada Business Corporations Act*, the securities laws and regulations applicable in the Province of Québec and the articles and by-laws of the Corporation, subject to any exemptions or relief that may be granted from such requirements.
- (2) Each director must have an understanding of the Corporation's principal operational and financial objectives, plans and strategies, and financial position and performance. Directors must have sufficient time to carry out their duties and not assume responsibilities that would materially interfere with, or be incompatible with, Board membership. Directors who experience a significant change in their personal

circumstances, including a change in their principal occupation, are expected to advise the chair of the Human Resources and Compensation Committee.

- (3) If the Chair is not independent (as defined in National Policy 58-201 - Corporate Governance Guidelines, as may be amended from time to time), then the independent directors shall select from among their number an independent director who will act as "Lead Director" and who will assume responsibility for providing leadership to enhance the effectiveness and independence of the Board. The Chair, if independent, or the Lead Director if the Chair is not independent, shall act as the effective leader of the Board and ensure that the Board's agenda will enable it to successfully carry out its duties.

#### **G. Committees of the Board**

- (1) The Board has established the Audit Committee, the Human Resources and Compensation Committee and the Nominating and Governance Committee. Subject to applicable law, the Board may establish other Board committees or merge or dispose of any Board committee.
- (2) The Board has approved mandates for each of the Committees and shall approve mandates for each new Board committee. The Board shall review the Nominating and Governance Committee's recommendations regarding the appropriate structure, size, composition, mandate and members for the each Board committee, and approve any modifications to such items as considered advisable.
- (3) The Board has delegated to the applicable committee those duties and responsibilities set out in each committee's charter.
- (4) As required by applicable law, by applicable committee charter or as the Board may consider advisable, the Board shall consider for approval the specific matters delegated for review to the Board committees.
- (5) To facilitate communication between the Board and each of the Board committees, each committee chair shall provide a report to the Board on material matters considered by the committee at the first Board meeting after the committee's meeting.

#### **H. Meetings**

- (1) The Board will meet at least once in each quarter, with additional meetings held as deemed advisable. The Chair (or the Lead Director if the Chair is not independent) is primarily responsible for the agenda and for supervising the conduct of any Board meeting. Any director may propose the inclusion of items on the agenda, request the presence of, or a report by any member of senior management, or at any Board meeting raise subjects that are not on the agenda for that meeting.
- (2) Meetings of the Board shall be conducted in accordance with the Corporation's articles and by-laws.
- (3) The secretary of the Corporation (the "**Corporate Secretary**"), his or her designate or any other person the Board requests shall act as secretary of Board meetings. Minutes of Board meetings shall be recorded and maintained by the Corporate Secretary, or any other person acting in such capacity, and subsequently presented to the Board for approval.

- (4) The independent members of the Board shall hold regularly-scheduled meetings, or portions of regularly scheduled meetings, at which non-independent directors and members of management are not present.
- (5) Each director is expected to attend all meetings of the Board and any committee of which he or she is a member. Directors will be expected to have read and considered the materials sent to them in advance of each meeting and to actively participate in the meetings.
- (6) The Board shall have unrestricted access to management and employees of the Corporation (including, for greater certainty, its affiliates, subsidiaries and their respective operations). The Board shall have the authority to retain and terminate external legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities and to set and pay the respective reasonable compensation of these advisors without consulting or obtaining the approval of any officer of the Corporation. The Corporation shall provide appropriate funding, as determined by the Board, for the services of these advisors.

#### **I. Management**

- (1) The Board shall approve position descriptions for the Chair, the Lead Director and the chair of each Board committee. As required, the Board shall review the Nominating and Governance Committee's recommendations regarding such position descriptions.
- (2) The Board shall approve a position description for the CEO which includes delineating management's responsibilities. The Board shall also approve the corporate goals and objectives that the CEO has responsibility for meeting. As required, the Board shall review this position description and, at least annually, such corporate goals and objectives.
- (3) Each new director shall participate in the Corporation's initial orientation program and each director shall participate in the Corporation's continuing director development programs. As required, the Board shall review the Nominating and Governance Committee's recommendations regarding the Corporation's initial orientation program and continuing director development programs.
- (4) This Board Mandate is a statement of broad policies and is intended as a component of the flexible governance framework within which the Board, assisted by its committees, directs the affairs of the Corporation. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Corporation's articles and by-laws, it is not intended to establish any legally binding obligations.

## SCHEDULE B SHAREHOLDER PROPOSALS

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### SHAREHOLDER PROPOSALS SUBMITTED FOR CONSIDERATION AT THE MEETING

#### SHAREHOLDER PROPOSAL NO. 1 – PRODUCTION OF AN ANNUAL SUSTAINABILITY REPORT

**PROPOSAL SUBMITTED BY THE B.C. GOVERNMENT AND SERVICE EMPLOYEES' UNION GENERAL FUND AND THE B.C. GOVERNMENT AND SERVICE EMPLOYEES' UNION DEFENCE FUND (COLLECTIVELY, "BCGEU")**

*"RESOLVED: Shareholders request that Dollarama Inc. prepare an annual sustainability report describing the company's short- and long-term responses to environmental, social and governance (ESG) risks and opportunities. The first report, prepared at reasonable cost and omitting proprietary information, should be published within one year of the 2019 annual shareholders meeting."*

#### **ARGUMENTATION SUBMITTED BY BCGEU IN SUPPORT OF ITS PROPOSAL**

"We believe tracking and reporting on ESG business practices make a company more responsive to a transforming business environment characterized by finite natural resources, changing legislation, concerns over healthcare and safety, and heightened public expectations for corporate accountability. Reporting also helps companies better integrate and gain strategic value from existing sustainability efforts, identify gaps and opportunities in products and processes, develop company-wide communications, publicize innovative practices and receive feedback.

Mainstream financial companies recognize the links between ESG performance and shareholder value. The availability of ESG performance data is growing through a wide range of data providers, such as Bloomberg. Also, investment firms like Goldman Sachs and Deutsche Asset Management are increasingly incorporating corporate, social and environmental practices into their investment decisions.

The United Nations' Principles for Responsible Investment has nearly 1,500 signatories that seek the integration of ESG factors in investment decision making. They collectively hold \$62 trillion assets under management and use information on ESG factors to analyze fully the risks and opportunities associated with existing and potential investments.

We believe that disclosure of sustainability policies, programs and performance can help a company manage sustainability opportunities and risks and that such disclosure is increasingly becoming a competitive advantage. There are many opportunities to reduce the waste stream and diminish the use of single use plastics. Green cleaning, improving air quality for both staff and customers, water conservation and energy reduction offer further ways not only to improving sustainability but also reduce costs. Respect for internationally-recognized human rights among employees is also a critical sustainability factor.

The report should include a company-wide review of policies, practices and metrics related to ESG performance."

#### **RESPONSE OF THE CORPORATION**

The Corporation is committed to reporting to its shareholders and stakeholders on its ESG business practices. Following management's acknowledgment that the latest report regarding such practices published by the Corporation in 2012, namely its report entitled "Dollarama's Approach to Business Sustainability", needed to be updated to reflect Dollarama's current approach to ESG matters, the Corporation undertook a full review of said report and other ESG-related disclosure. Over the course of the past year, the Corporation has been working on enhancing its ESG disclosure to provide



shareholders and stakeholders with increased transparency on the Corporation's present and future ESG-related initiatives, challenges and priorities. As part of this exercise, the Corporation conducted a materiality assessment in 2018 to identify the ESG topics that are the most relevant to Dollarama's business and to its stakeholders, with the objective of publishing an ESG disclosure document (the "ESG Report"). The assessment included an internal review of the risks inherent to Dollarama's business and supply chain, based on nearly three decades of operating experience and on third party risk assessments of Dollarama's supply chain. The Corporation also worked with a specialized external consultancy firm to identify and review the key ESG areas relevant to the retail industry and to identify the topics most relevant to Dollarama and its stakeholders.

As a result of this process, Dollarama has increased its disclosure on certain key topics in its existing disclosure documents and an ESG Report will be published on the Corporation's website concurrently with the holding of the upcoming Meeting. The Corporation expects to update the report every second year thereafter. Management of the Corporation believes that the publication of the ESG Report represents significant progress with respect to the Corporation's current ESG-related disclosure.

Following receipt by the Corporation of BCGEU's proposal requesting the publication of an annual ESG report, management reached out to BCGEU in order to engage in discussions and inform the shareholder that the Corporation was already intending to publish the ESG Report concurrently with the holding of the Meeting. BCGEU nevertheless insisted that its proposal be submitted for consideration at the Meeting.

In light of the actions already undertaken by the Corporation and the upcoming publication of the ESG Report, the Board of Directors believes that the objective of this proposal has already been achieved.

**The Board of Directors therefore recommends that shareholders vote AGAINST the proposal.**

## **SHAREHOLDER PROPOSAL NO. 2 – PRODUCTION OF AN ANNUAL REPORT ON RISKS TO HUMAN RIGHTS**

### **PROPOSAL SUBMITTED BY THE PENSION PLAN OF THE UNITED CHURCH OF CANADA ("PPUCC")**

*"RESOLVED: That the Board of Directors provide a report to shareholders by December 2019 and updated annually, detailing the due diligence process used by Dollarama Inc. ("Dollarama") to identify and address risks to human rights from Dollarama's business.*

*The report, prepared at reasonable cost and omitting proprietary or confidential information, should address how Dollarama identifies risks to human rights, identifies root causes of adverse human rights impacts, integrates the findings into its decision-making and actions to prevent and mitigate adverse human rights impacts, tracks the effectiveness of these measures, and remedies any adverse human rights impacts that it causes or contributes to. The report should cover all aspects of Dollarama's business including its own operations, its direct sourcing and importing business, as well as its contracting and supply chains."*

### **ARGUMENTATION SUBMITTED BY PPUCC IN SUPPORT OF ITS PROPOSAL**

"Investors, stakeholders and lawmakers expect international business to conduct effective human rights due diligence within their operations and supply chains. This expectation is delineated in the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

Dollarama sources more than half of its goods from China and 24 other countries. Its suppliers are required to signal adherence to the company's Vendor Code of Conduct which prohibits the use of child or forced labour and requires, at minimum, compliance with local laws with respect to wages and working conditions. Dollarama does not currently monitor compliance with its Code of Conduct nor does it require

Vendors to establish any clear practice with regard to critical concerns like labour recruitment and the risk of forced labour, which are known risks in the company's sourcing countries.

Recent global estimates found that 16 million people are trapped in conditions of forced labour in the extended supply chains of the private sector. Unscrupulous labour recruiters exploit workers and job seekers through usurious fees, withholding personal papers/passports and failing to provide written contracts spelling out the terms of employment.

The retail sector globally has been tackling the issue of forced labour by instituting “no fees” policies and establishing monitoring and ethical recruitment practices. Dollarama, however, has not reported any specific policies or practices beyond its Vendor Code of Conduct and self-reporting by Vendors.

In the UK, France, Australia and elsewhere governments are moving to require businesses to disclose their due diligence processes for some of the most egregious human rights abuses with a particular focus on forced and child labour. A recent Canadian parliamentary committee recommended adoption of similar due diligence laws in Canada, where Dollarama operates its primary business, as well as consideration of changes to Canada’s import regime to incentivize businesses to eliminate the use of child labour.

Failure to put proactive policies and procedures in place therefore exposes Dollarama to significant risks, including potential regulatory action, supply chain disruption, and media reports that negatively impact the company’s reputation. Most importantly, however, we believe shareholders would like to be assured that the company is doing its utmost to prevent any human rights abuses within its supply chain.”

## **RESPONSE OF THE CORPORATION**

### *Identifying and Addressing Risks to Human Rights in Dollarama’s Own Operations*

Dollarama has adopted a Code of Conduct and Ethics (the “Code of Ethics”) applicable to directors, officers, head office management, head office employees, warehouse management, distribution centre management, field management and store management. The objective of this Code of Ethics is two-fold: (i) to reiterate Dollarama’s commitment to implement business practices that are in compliance with applicable laws and regulations, and (ii) to provide guidelines for maintaining the integrity, reputation, honesty, objectivity and impartiality of Dollarama. The adherence to the Code of Ethics is an integral part of the terms of employment: new employees are asked to review the Code of Ethics upon hiring and to undertake to abide by it. This commitment is renewed annually as part of the annual evaluation process.

As part of its mandate, the Board of Directors is responsible to review compliance with the Code of Ethics and any material deficiencies. This responsibility has been delegated to the Audit Committee, who receives reports from management regarding compliance with or breaches of the Code of Ethics. Dollarama has put in place whistleblower channels to allow employees to report incidents of non-compliance with the Code of Ethics or to share concerns. These channels have proven in the past to be effective and allow for direct reporting and necessary investigation of issues. Dollarama is a national Corporation with operations limited to Canada. As a result, management of the Corporation is confident that it has a reasonable degree of visibility and control over Dollarama’s own operations and that the existing protocols allow it to identify and address labor related risks.

Dollarama is very careful at managing the appropriate balance between cost management on the one hand and employee satisfaction and engagement on the other hand, to the benefit of all stakeholders. In light of the foregoing, the Board of Directors believes that a standalone report addressing specifically risks to human rights in Dollarama’s own operations is not necessary. The ESG Report that Dollarama will be publishing will include disclosure on Dollarama’s workforce and on some of the Corporation’s initiatives relating to employee engagement, health and safety, diversity and inclusion.

### *Identifying and Addressing Risks to Human Rights in Dollarama's Supply Chain*

The Corporation has adopted a Vendor Code of Conduct and Ethics (the "Vendor Code"), which came into effect in 2015, to formalize Dollarama's expectations in terms of business standards. Respect for human rights, and more specifically statements against forced labour and child labour, are an integral part of the Vendor Code. Following the adoption of the Vendor Code, existing suppliers were asked to confirm their adherence by returning a signed engagement form to Dollarama, whereas new suppliers receive the Vendor Code as part of the supplier enrolment process. No purchase order may be placed with a supplier before Dollarama has a signed engagement form on file. Suppliers are required to certify compliance with the Vendor Code every two years. Also as part of the Vendor Code implementation, the Corporation established a whistleblower channel allowing any person who believes that a violation to the Vendor Code has occurred to report the relevant information confidentially to Dollarama.

Contrary to the statement made by PPUC, Dollarama does currently have processes and procedures in place in order to monitor compliance with its Vendor Code. For example, in order to monitor compliance with the Vendor Code, the Corporation has developed a vendor compliance survey. The survey is aimed at collecting data on vendor social practices and is designed in such a way as to allow the Corporation to better understand some key risks in its supply chain. After an initial pilot, the Corporation will be rolling out the survey in phases to direct suppliers selected based on various criteria, including the annual volume of purchases by the Corporation. Issues identified in the review of answers provided by suppliers may be investigated by way of on-site inspections, third party audits or otherwise.

As a general rule, the Corporation reviews and assesses the reliability and reputation of suppliers. In the case of higher-risk products, this includes reviewing existing audits and/or conducting audits or on-site inspection visits to ensure compliance with standards. Audits are currently aimed primarily at assessing product quality compliance but they also provide an opportunity to observe working conditions and other labour-related factors. If the Corporation determines that a supplier has violated the Vendor Code, the supplier will be required to implement a corrective action plan in order to bring its business up to Dollarama's standards within a reasonable timeframe. The Corporation reserves the right to cancel purchase orders, to terminate the relationship with a supplier who is unwilling or unable to comply with the Vendor Code or to remediate a situation of non-compliance within a reasonable timeframe, or to terminate the relationship immediately in case of serious violation or gross negligence. It is important to keep in mind that the Corporation's supplier base is well diversified, with the largest supplier accounting for only approximately 4% of total purchases. Also, as the Corporation does not enter into long-term contracts with suppliers, it has the ability to immediately terminate a relationship if standards are not met and remediation is not possible or not successful, without any major impact on the supply chain.

These various initiatives undertaken by the Corporation in order to monitor and address risks to human rights within its supply chain will be discussed in the ESG Report that will be published on the Corporation's website concurrently with the holding of the upcoming Meeting.

In light of the above, the Board of Directors believes that no additional report or assessment beyond the ESG Report is required for the time being. With that said, the Board of Directors will continue to monitor best practices to see if additional disclosure is required in the future.

**The Board of Directors therefore recommends that shareholders vote AGAINST the proposal.**

### SHAREHOLDER PROPOSAL NO. 3 – LIVING WAGE

#### PROPOSAL SUBMITTED BY THE MOUVEMENT D'ÉDUCATION ET DE DÉFENSE DES ACTIONNAIRES ("MÉDAC")

*"It is proposed that the Corporation adopt a living wage policy for its employees, on the one hand, and its entire supply chain, on the other hand, including the disclosure of relevant data."*

#### ARGUMENTATION SUBMITTED BY THE MÉDAC IN SUPPORT OF ITS PROPOSAL

"The Living Wage for Families Campaign defines the living wage as the minimum wage that should be paid to an average family of four, including two full-time working adults, to cover local expenses including housing, food, transportation, small savings and basic recreational activities.

A minimum wage of \$15 per hour could be the minimum wage in 2018 that a responsible company should have to pay to its employees according to the Quebec Federation of Women and the FTQ. However, according to a statement made by Indeed Canada in December 2018, "the average hourly wages at Dollarama are approximately \$10.99 per hour for the position "Clerk (M / F)" and \$39.00 per hour for the position "Student Assistant".

We welcome Dollarama's initiatives in sustainable development. However, we question the fairness of the remuneration granted to its employees. According to the Corporations latest management information circular (2018), Mr. Neil Rossy's total compensation was \$4,157,592, which is 84 times the average compensation that it is possible to calculate from public data.

In particular, the Corporation should disclose the ratio between the number of employees earning less than \$15 per hour and the total number of employees, while disaggregating this data according to sociological indicators, including gender. Dollarama should also disclose the steps the company intends to take to correct the situation."

#### RESPONSE OF THE CORPORATION

##### *Policy Argument*

Dollarama is committed to providing employees with competitive wages and opportunities for career advancement. Management understands that the "living wage" is meant to be a higher standard than minimum wage. However, it is a subjective standard and ultimately a question of public policy and management believes that public policy is more appropriately and more effectively dealt with through legislation or regulation. Recently, the governments of the provinces of Alberta, Ontario, Quebec and British Columbia have decided to increase the minimum wage in their respective jurisdiction. When the minimum wage is increased in a given province, Dollarama adjusts its pay scales accordingly, and adjustments are made not only for entry level positions but at all levels of those scales to maintain internal pay equity between positions.

Conducting a review of wage levels and reporting on such a complex policy issue would require enormous time and resources. To be effective, this would involve an assessment in each province where Dollarama operates and in each jurisdiction where it sources its products from. Dollarama is very careful at managing the appropriate balance between cost management on the one hand and employee satisfaction and engagement on the other hand, to the benefit of all stakeholders. On balance, Dollarama is of the view that the costs and efforts of conducting such an assessment would significantly outweigh the potential value to the Corporation and its stakeholders. Dollarama's focus is on opening stores, hiring people and therefore creating employment in the communities in which the Corporation does business and not on making policy decisions.

### *Industry Competitiveness Argument*

Management believes that the Corporation's approach to compensation is aligned with industry standard practices. Establishing the Corporation's compensation policies and practices is a complex process which inherently involves balancing the interests of a number of stakeholders, including both employees and shareholders, and considering a number of market specific factors. The Corporation's pay scales are adjusted in reaction to minimum wage increases and other market considerations, in order to attract and retain talent in any given area. As a retailer with substantial staffing needs operating in a competitive environment, the Corporation must offer attractive wages to fulfill its recruitment needs, and this, while operating on a level playing field with other retailers. Requiring the Corporation to adopt a living wage policy would overcomplicate the process used to set compensation and restrict its competitive flexibility in an ever-changing retail landscape.

### *Dollarama's Internal Policies*

Dollarama provides employment to approximately 20,000 people across its store network, and creates jobs every year as it opens new stores. Of these store employees, approximately 40% are full-time employees and 60% are part-time or occasional employees, many of them by choice. Dollarama offers employment to a number of students and other categories of workers that are looking for a part-time position for various reasons. The concept of "living wage" is defined often as "the amount needed for a family of four with two adults working full time to cover basic necessities, including housing, food, transportation, small savings and basic recreational activities", and is therefore not adapted for a significant number of retail sector employees such as Dollarama's store employees.

It is important to mention that minimum wage increases at Dollarama have never been associated with a reduction in other employee benefits, and there is no intention to reduce employee benefits in any way to counterbalance recent increases in minimum wage. In fact, Dollarama is sensitive to employee attraction and retention, especially as it continues to grow its store network, and has taken steps over the years to increase employment-related benefits, including its pension plan, collective insurance and employee training. Employees with entry level store positions have opportunities for advancement in a growing business, and can quickly gain access to store and field management positions with access to higher wage brackets.

### *Suppliers' and Contractors' Policies*

Through its Vendor Code, Dollarama has formalized its expectations in terms of business standards, including pay practices. Management believes that as long as the Corporation's suppliers and contractors abide by the Vendor Code and comply with laws and regulations applicable in the jurisdictions in which they operate, it is not appropriate to intervene in third parties' compensation policies. That being said, as part of its ESG-related initiatives to be outlined in the ESG Report, management will undertake a revision of its Vendor Code and will be looking at providing more details on what may constitute unacceptable pay practices.

**The Board of Directors therefore recommends that shareholders vote AGAINST the proposal.**

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## WITHDRAWN SHAREHOLDER PROPOSALS

### SHAREHOLDER PROPOSAL NO. 4 – INCLUSION OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE CRITERIA IN ESTABLISHING EXECUTIVE COMPENSATION

#### PROPOSAL SUBMITTED BY THE MÉDAC

*“It is proposed that the Human Resources and Compensation Committee, through its annual reporting activities, submit a report on the importance it gives to environmental, social and governance (ESG) criteria when evaluating the performance of senior executives and setting their compensation.”*

#### ARGUMENTATION SUBMITTED BY THE MÉDAC IN SUPPORT OF ITS PROPOSAL

“The 2012 guidance issued by the United Nations Principles for Responsible Investment (PRI) and the United Nations Global Compact state that applying ESG criteria can serve as a major factor in protecting and creating value for shareholders.

ESG targets could be expressed as follows: the degree of representation of women in decision-making bodies; the rate of inclusion of people from diverse sociocultural communities; initiatives that reduce the consumption of paper, energy and water; steps taken to ensure the sustainable employability of employees in light of task automation; the deployment of programs designed to favour employee health and well-being, etc.

In this regard, it should be noted that organizations that set specific ESG guidelines generally enjoy a better reputation among clients, adapt to change with greater agility, manage risk better, are more innovative, and are better positioned to develop long-term added value for shareholders and stakeholders.

It is clear that the inclusion of financial objectives in evaluating the performance of senior executives and in setting their compensation plays a crucial role in achieving those objectives. It is important to reassure shareholders and stakeholders that ESG objectives serve as a formal guide in assessing the performance of the CEO and his management team.”

#### RESPONSE OF THE CORPORATION

The Corporation recognizes the importance of adopting best practices to ensure sustainable shareholder value and create value for the Corporation’s other stakeholders. While the Corporation is of the view that it is difficult to use the promotion of ESG factors as a quantifiable evaluation criterion in assessing the performance of its executives, ESG factors, through the Corporation’s broader corporate social responsibility efforts, are already indirectly embedded in the executive compensation structure. In fact, while the Corporation’s senior executive compensation policy links incentive compensation to the financial performance of the Corporation (i.e. EBITDA), ESG criteria are encompassed in Dollarama’s daily operations and the Corporation’s financial performance is an indication of how well it is doing with such criteria.

While the formula used to calculate incentive compensation of the Corporation’s NEOs is based on the single metric of EBITDA, which ensures that the financial interests of the Corporation’s NEOs are closely aligned with those of shareholders, the Corporation’s Board of Directors, upon recommendation of the Human Resources and Compensation Committee, ultimately has the discretion to withhold incentive compensation from NEOs if it determines the circumstances so warrant. As such, the Board of Directors, upon recommendation of the Human Resources and Compensation Committee, may use its discretion to apply financial consequences to an executive in the context of a material departure from expected standards applicable to this individual, such as a serious breach of the Corporation’s policies, including policies aimed at monitoring and mitigating, directly or indirectly, risks associated with ESG factors. For more information, see page 33 of the Circular.

In light of the foregoing, the Board of Directors believes that long-term results on sustainability initiatives are better obtained through promoting ESG factors in all areas of the business rather than focusing on the executive compensation program. The Corporation's current executive compensation policy takes ESG factors into account to the extent appropriate, and is aligned with the spirit of the MÉDAC's proposal.

**It was agreed with the MÉDAC that no vote will be held at the Meeting with respect to this proposal.**

## **SHAREHOLDER PROPOSAL NO. 5 – INDEPENDENCE OF DIRECTORS**

### **PROPOSAL SUBMITTED BY THE MÉDAC**

*"It is proposed that all information that has led the Board of Directors to declare a director independent or not be disclosed in the management proxy circular, pursuant to securities regulations."*

### **ARGUMENTATION SUBMITTED BY THE MÉDAC IN SUPPORT OF ITS PROPOSAL**

"National Instrument 58-101 – Disclosure of Corporate Governance Practices requires that reporting issuers disclose the names of directors who are not independent and the basis for that determination. To this end, National Instrument 52-110 – Audit Committees provides several clarifications regarding the definition of independence.

As Professor Stéphane Rousseau of the Université de Montréal, a specialist in governance, writes:

"In the view of many, the independence of directors from senior executives is "an essential part of effective governance". The importance given to director independence stems from the oversight function of the board of directors. In this regard, let us recall that the board of directors of a public corporation usually includes internal directors who are part of management and external directors. It is difficult for the former to fulfill the oversight function since this is equivalent to asking them to evaluate their own performance objectively. In addition, they may experience reluctance or discomfort to criticize the CEO given his or her influence on their own career. From this perspective, only external directors are able to perform the management oversight function."

There is a need to increase the disclosure of information on the various directors of the company to better understand the nature of each director's relationship with the company, the officers and the controlling shareholders in order to allow the shareholders to exercise their right to vote in an informed way and to improve the governance practices of the company. This change will allow shareholders to evaluate the real objectivity of directors, particularly when they have been in office for several years."

### **RESPONSE OF THE CORPORATION**

Every year, the Corporation's Board of Directors undertakes a comprehensive review of the status of each director in terms of his or her independence. In order to conclude on whether a specific director is independent or not, the Board of Directors takes various external elements into account, including the existence of any material relationship between a director and Dollarama or any of its subsidiaries that could reasonably be expected to interfere with the exercise of a director's independent judgment. When the Board of Directors is faced with a set of circumstances that triggers a determination of non-independence or that could be perceived as a potential conflict of interest, a detailed explanation of the factors that were taken into account by the Board of Directors in determining the independence or not of such director will be provided in the management information circular.

For example, reproduced below is disclosure contained in the Corporation's 2018 management information circular (page 43), whereby a detailed explanation was provided on the factors considered by the Board of Directors in determining Huw Thomas' independence:

"Huw Thomas is considered independent within the meaning of NI 52-110. Considering that Huw Thomas serves as the Chief Executive Officer of SmartCentres REIT, an entity from which the Corporation leases a number of stores, the Board of Directors expressly reviewed his independent status to conclude that the commercial relationship between SmartCentres REIT and the Corporation could not reasonably be expected to interfere with Mr. Thomas's exercise of his independent judgment and his ability to act in the best interests of the Corporation. The determination of the Board of Directors was based, among other factors, on the following facts: (i) Dollarama L.P.'s contribution to the total gross rental revenues of SmartCentres REIT is not material and represented only 1.7% of the total gross rental revenues of SmartCentres REIT as at December 31, 2017, (ii) Huw Thomas has no involvement in the negotiation of leases on behalf of SmartCentres REIT, as landlord, or in their approval by Dollarama L.P., as tenant, especially since individual leases are not subject to approval by the Board of Directors, (iii) leases are negotiated by management of Dollarama and entered into in the normal course of business, with rental expenses and other lease conditions being established at market terms, and (iv) the leases entered into between the Corporation and SmartCentres REIT do not differ in any material respects from the leases entered into by the Corporation with other major landlords in Canada. Huw Thomas will be stepping down as Chief Executive Officer of SmartCentres REIT in June 2018 but will remain a trustee of SmartCentres REIT."

The Board of Directors believes that this example is a good illustration of Dollarama's approach to disclosure and responds well to the objective of the MÉDAC's proposal.

**It was agreed with the MÉDAC that no vote will be held at the Meeting with respect to this proposal.**

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