

ESG REPORT

OUR PEOPLE | OUR PRODUCTS | OUR SUPPLY CHAIN | OUR OPERATIONS



ESG REPORT

DOLLARAMA ESG REPORT

CORPORATE OVERVIEW

Dollarama is a recognized Canadian value retailer offering a broad assortment of consumable products, general merchandise and seasonal items that appeal to all demographics and income ranges.

Founded by third-generation retailer and Canadian entrepreneur, Larry Rossy, it all started with one store, in Matane, Québec, in 1992. Dollarama quickly grew over the next two decades to become a household name and preferred shopping destination for Canadians from coast to coast. Today, Dollarama is led by Neil Rossy, fourth-generation retailer and member of Dollarama's founding management team.

OUR MISSION

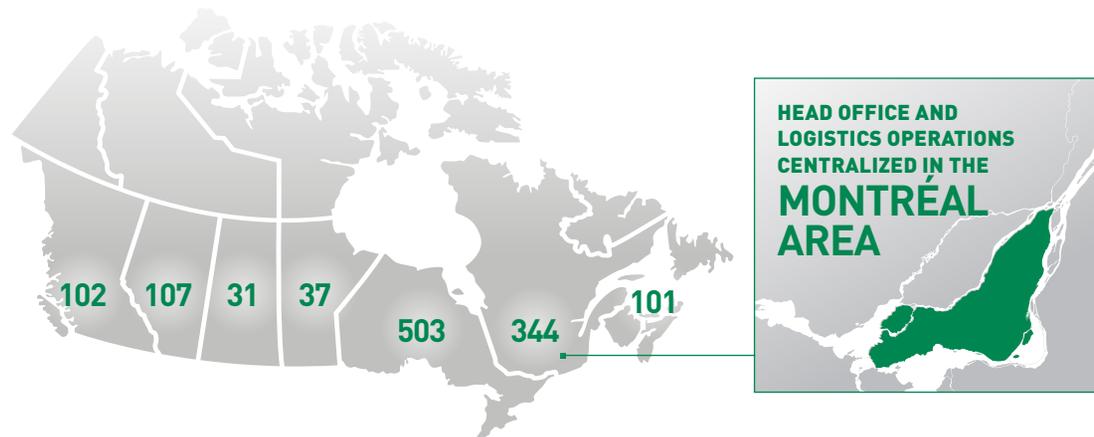
Provide customers with compelling value and exceed customer expectations through the quality and variety of products we offer at select, low fixed price points.

Our over 20,000 employees and 1,225 corporately-owned and operated stores across Canada provide customers with compelling value in convenient locations, including metropolitan areas, mid-sized cities and small towns. Select consumable and general merchandise products are also available by the full case through our online store launched in early 2019.

Since inception, Dollarama has cultivated a culture of efficiency, with a focus on quality and our customer. Managing operations and resources responsibly while growing profitably and creating value for shareholders remains a priority to this day.

OUR NATIONAL STORE FOOTPRINT

(For the fiscal year ended February 3, 2019)



DOLLARAMA AT A GLANCE

(For the fiscal year ended February 3, 2019)

\$3.5B
SALES

\$884M
EBITDA¹

\$2.9M
AVG. STORE ANNUAL SALES

20,020
EMPLOYEES ACROSS CANADA

MERCHANDISE SOLD AT NINE FIXED PRICE POINTS RANGING FROM
\$0.82 TO \$4.00

1,225
STORES ACROSS CANADA REPRESENTING OVER 12.5 MILLION SQUARE FEET OF RETAIL SPACE

500,000
SQUARE FOOT DISTRIBUTION CENTRE LOCATED IN TOWN OF MOUNT ROYAL, QUÉBEC²

SIX
WAREHOUSES IN THE MONTRÉAL AREA TOTTALLING 1.7 MILLION SQUARE FEET

(1) Non-GAAP measure. Please consult the Investor Relations section of our corporate website at www.dollarama.com for more information.

(2) Reflects expanded distribution centre project underway and slated for completion by end of calendar 2019.

ESG

DOLLARAMA ESG REPORT

REPORT

LETTER FROM OUR CEO

OUR ESG JOURNEY

At Dollarama, managing our operations responsibly while growing profitably have always gone hand in hand. Our culture of efficiency coupled with disciplined execution not only guides our business strategy but also our approach to managing environmental, social and governance (ESG) matters.

Our attention to ESG matters is longstanding. Being a good corporate citizen has been one of our corporate objectives since inception. For us this means acting responsibly in everything we do and, where we can make a meaningful difference, influencing others to do the right thing.

This first Dollarama ESG report communicates our approach to ESG, our accomplishments and the path ahead. It highlights several relevant issues that were identified as the result of a comprehensive materiality and enterprise risk assessments we executed with the assistance of third-party experts, and engagement with stakeholders.

We see this report as a complement to our existing disclosure on our governance practices, financial performance and other matters of importance to our shareholders and other stakeholders.

This report is divided into our four ESG priority areas:

Our people

Our business starts with our people. As a major player in the Canadian retail industry, we employ over 20,000 Canadians, and create hundreds of additional jobs every

year. We provide part-time, seasonal and full-time employment, first jobs, retail skills training and rewarding career opportunities for a highly diverse workforce across the country. We develop, reward and retain our employees on the basis of merit, ability and performance, while maintaining a competitive compensation structure in relation to the retail industry.

Our products

For our customers, what matters most is safety and quality, and this has always been and will remain our top priority. We continuously enhance our processes and controls to ensure that the products we sell are safe and that our customers benefit from the best value on the market.

Our supply chain

We take supply chain related social risks seriously and seek out reputable vendors. Over time we have built a robust, three-pronged approach to vendor compliance, with an emphasis on social issues, that is comprised of our Vendor Code of Conduct, our Vendor Compliance Survey and the new Social Audit Program currently being developed.

Our operations

As a value retailer, we seek to optimize our operations at every turn so that Dollarama can be as efficient and cost-effective as possible. From an environmental standpoint, this means continuously improving the energy efficiency of our facilities as well as third-party transportation, reducing packaging and waste, and improving waste recovery rates across our operations. We make every effort to reduce, reuse and recycle, thereby minimizing the amount of our waste sent to landfills.



This ESG report also provides us with an opportunity to highlight the significant direct economic value created annually by Dollarama for its stakeholders. Whether it be in the form of salaries to our employees, the capital we invest, the products and services we purchase or the taxes we pay to federal, provincial and municipal governments, the value we generate makes a difference in the lives of Canadians. We are proud to contribute to the economic well-being of our country.

We look forward to continuing to regularly report on ESG matters that are material to our business in the years to come. We also invite and look forward to your feedback on this first report.

Sincerely,

Neil Rossy
President and CEO
Dollarama

ESG FRAMEWORK

MATERIALITY ASSESSMENT

In developing this report, we undertook to identify the environmental, social and governance (ESG) subjects that are most relevant to Dollarama’s business and to our stakeholders.

Specifically, we sought to identify those areas that are at once 1) relevant to the retail industry in Canada; 2) applicable to Dollarama’s unique product mix; 3) within our ability to exercise a meaningful influence; 4) relevant in terms of the impact on value creation over the long-term; and 5) of interest to current shareholders, ESG investors and other stakeholders.

Our assessment began with an internal review of the risks inherent to our business and our supply chain, based on nearly three decades of operating experience. Our baseline was a comprehensive independent enterprise risk assessment previously completed as part of our ongoing risk management and mitigation planning. In 2018, we also worked with a specialized external consultancy firm to identify and review the key ESG areas relevant to the retail industry and to establish the topics most relevant to Dollarama. Both our risk assessment and ESG analysis were informed by the considerable feedback received from several large shareholders and shareholder advocates over the past few years.

OUR PROCESS

ENTERPRISE RISK ASSESSMENT

- Comprehensive third-party risk assessment of Dollarama business and operations, including extended supply chain.
- Analysis of product categories and countries of origin that represent the majority of products that are directly sourced.
- Engagement with internal stakeholders: executive management, purchasing, store operations, transportation and logistics, legal and regulatory, human resources, finance and risk management functions.

ESG MATERIALITY ASSESSMENT

- Third-party identification of material ESG issues for the retail sector and ESG disclosure gap analysis.
- Analysis of global ESG disclosure regulatory trends and recognized reporting frameworks (SASB, GRI, CDP).
- Ongoing engagement with large shareholders and shareholder advocates.
- Engagement with internal stakeholders including but not limited to, executive management and key functions, selected vendors and customer feedback in the normal course of business.

ESG PRIORITY AREAS

Our enterprise risk and materiality assessments led us to prioritize the following key areas in this report. Our objective with this first report is to increase our disclosure in these areas. We are also setting actionable goals and priorities where relevant, and will report on our progress every two years.



While the impacts of each of these areas may vary, and may be of different levels of concern for different stakeholders, we believe they are all both relevant and material to our business from an ESG perspective, and also address the expectations of our shareholders in terms of disclosure.

ESG GOVERNANCE

At Dollarama, ESG issues are identified and managed within our enterprise risk management framework.



OUR PEOPLE

WORKFORCE OVERVIEW

The retail sector is a major driver of the Canadian economy both in terms of employment and investments. It also serves as a critical final link in the supply chain, connecting products and services directly with Canadian consumers and households. Dollarama is proud to be a part of this fabric since 1992, providing employment and convenience in the diverse communities where we are present in each Canadian province—from Prince Rupert, British Columbia, to St. John's, Newfoundland.

A Dollarama store employs an average of 16 people although this number may vary from 10 to over 20, depending on the particular staffing needs of a given location. Over the last three years, Dollarama has opened 65 net new stores across Canada on an annual basis, creating hundreds of new retail jobs each year. Those jobs have been created in major cities and large towns, but also in smaller communities in more remote regions of the country. Today, we have over 19,300 store employees serving customers across the country, supported by a team of over 720 field management, distribution, warehouse and corporate employees.

CREATING OPPORTUNITY

The retail sector in Canada is vital because fundamentally, it offers individuals from all walks of life, different backgrounds and experiences with access to the job market. An estimated 2.14 million people worked in the Canadian retail sector in 2018³, in both full-time and part-time positions.

An entry-level position in the retail sector usually only requires a desire to learn, with no specific professional training or prior experience needed. For this reason, the retail sector is the point of entry into the job market for large numbers of Canadians and newcomers.

**NEARLY 12%
OF CANADA'S WORKFORCE
IS EMPLOYED BY THE RETAIL
INDUSTRY AND ONE OF EVERY
TEN DOLLARS PAID IN SALARY
IN CANADA IS PAID TO A
RETAIL EMPLOYEE.³**

**DOLLARAMA CREATES
HUNDREDS
OF NEW RETAIL JOBS
EVERY YEAR.**

Working in a retail environment allows individuals to acquire valuable skills and experience that can be leveraged to advance their careers in the retail industry or in other sectors of the economy. Retail employment can be a stepping stone to other careers or pursuits and one of the reasons for higher turnover rates, with talent retention posing industry-wide challenges, especially for entry-level positions.

At Dollarama, we recruit actively all year long to staff our expanding store network and to manage the voluntary and involuntary turnover rates common to our industry. Our turnover rates become significantly lower by position as management responsibilities increase, being at their lowest for store manager positions. Over the years, our turnover has been greatly reduced due in part to the implementation of comprehensive training and development programs.

COMPETING FOR THE BEST EMPLOYEES

As one of Canada's most successful retailers, Dollarama recognizes that future growth and performance depend on our ability to attract, retain and motivate quality employees.

Our biggest task is staffing our network of 1,225 stores, which is growing at a rate of over one new store every week. We compete with other retailers by offering competitive wages and benefits, internal career opportunities, as well as flexible work schedules in a stimulating work environment. Approximately 40% of our store employees are full-time and the remainder are part-time and seasonal.

Comprehensive compensation

Compensation for entry-level positions (store associates) generally reflects provincial minimum wages and local market considerations. Associates can quickly gain access to full-time positions, regular training, as well as opportunities for advancement and higher wages. A typical path for an employee interested in pursuing a retail career could include full-time associate to store management all the way to a field management position. Each step includes greater responsibility and compensation opportunities. Approximately 75% of Dollarama's hourly store employees are paid above their province's minimum wage, while the average wage of our hourly employees across all our stores is over \$14.00 an hour.

**IN 2018, DOLLARAMA HELD
39 JOB FAIRS
IN COMMUNITIES ACROSS
CANADA AS PART OF ITS
ONGOING RECRUITMENT
PROGRAM.**

[3] Source: Retail Council of Canada

Competitive wages and flexible work schedules are coupled with other key benefits such as group insurance and pension plans. Dollarama offers a competitive group insurance plan for eligible employees with different coverage options, from basic health to dental benefits. Dollarama also offers an optional company-matched defined contribution pension plan available to eligible full-time and part-time employees.

TALENT DEVELOPMENT

At Dollarama, we focus on building our bench strength in stores to develop a pipeline of opportunity for our employees. We prioritize the internal promotion of high-potential employees who want to explore a career in retail. To accomplish this, we have created and refined training programs for our employees at all levels, to guide their path toward management opportunities, and to create stronger leaders to provide continuing support to our employees.

The positive results of this increased focus include not only more engaged employees at all levels, but also more efficient operations and higher standards being maintained at store level.

Bridging the gap

A continued area of priority has been bridging the gap between store management and field management, where responsibilities and geographical scope increase exponentially from one step to the next. This has resulted in the recent creation of a developmental position, that of District-Manager-in-Training (DMiT). A store manager is responsible for one location, whereas a District Manager (DM) can be responsible for 12 to 17 stores depending on geography. This DMiT position allows us to provide store managers with increasing responsibilities, similar to that of DMs but on a more manageable scale—usually a handful of stores—allowing them to learn and build the required skills and setting them up for success before advancing to the next level.



DOLLARAMA FIELD MANAGEMENT MEETINGS

Under the leadership of our Chief Operating Officer, Johanne Choinière, our corporate and field management teams meet on a regular basis to set goals, monitor progress, and conduct training activities. The meetings are comprised of in-depth presentations about new programs and projects, as well as interactive sessions and workshops focused on promoting understanding and team building. Our 12 Regional District Managers (RDMs) led by our Vice President of Operations, who collectively oversee our store operations across Canada, meet in person on a quarterly basis while all DMs, a team of over 110 field managers who hail from across the country, meet biannually.

Our DMiT program is still in its early days but we are already seeing positive results with the successful promotion of half a dozen internal candidates. We will continue to focus on bridging this gap and on encouraging our people to take on greater responsibilities and pursue career advancement opportunities within the company.

Open lines of communication

Another key component of talent development is performance assessment. All store employees with management responsibilities take part in regular performance evaluations with their managers to set goals, obtain feedback and also provide feedback. Beyond formal evaluations, store management is expected to maintain open door policies, encourage open communications with all store staff, and to regularly

provide feedback to all store employees, whether part-time or full-time, to encourage improvement, assess potential, and help train each employee to take on increasing responsibilities.

THE IMPORTANCE OF HEALTH AND SAFETY

Health and safety is an integral part of our operations. We strive to ensure that our team remains dedicated to the common objective of maintaining a safe work environment by considering health and safety in every activity. Store, warehouse and distribution centre management is held accountable for this responsibility and for ensuring that any machinery or equipment being used or task being undertaken is safe and that all work is performed in compliance with practices and procedures set out in our comprehensive health and safety manual.

Towards an injury-free work environment

In general, workers in the retail sector are at a relatively low risk of serious occupational injury compared to other sectors—but that is not a reason to be less vigilant. At Dollarama, all of our health and safety efforts are aimed at reducing and ultimately eliminating accidents and incidents. We believe in the importance of raising awareness, accountability and regular training. We also adapt our practices and modify equipment to eliminate unnecessary safety risks.

In stores, which represent the work environment for nearly all of our workforce, our primary focus is on reducing the frequency and severity of lost-time injuries, which are most often related to handling merchandise, ladder use, falling objects, and slipping or tripping.

Prevention begins with mandatory training for all new hires, as well as regular refresher training for all store employees. We have

**OUR HEALTH AND
SAFETY GOAL IS
ZERO
ACCIDENTS!**

focused the training on our highest risk areas, and on promoting the enforcement of our store policies and procedures—from proper footwear, clean and clutter-free stores, to always following safety protocol when lifting boxes or using ladders. Our fixtures and equipment are designed to our specifications to eliminate risk of injury, from tailor-made safety hooks to special ladders. Field and store management are responsible for ensuring compliance with our comprehensive health and safety manual.

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

Proper personal protective equipment is a prerequisite and no individual may access the work area without it. Each worker must undergo health and safety training prior to taking on his or her duties for the first time, and onsite supervisors are responsible for ensuring that safety policies and procedures are being followed at all times. We also have a large number of first-aid responders onsite to address any minor incidents. Whether our people are full-time employees or temporary workers, the same strict procedures and policies, and safety training requirements apply.

In 2018, Dollarama began work on a major expansion of its distribution centre. As a result, the site's health and safety committee proactively increased floor supervision and put many additional safeguards and resources in place to ensure that this work would not interrupt normal operations or create any health and safety hazards. To date, the committee has been able to maintain the facility's health and safety performance throughout the work, and will remain vigilant through to its completion.

Loss prevention contributes to a safe work environment

Safety is not just about curbing workplace lost-time injuries that may occur in the course of an employee's regular duties. It is also about ensuring that employees feel safe in their work environment and have the tools at their disposal to mitigate any difficult situations.

Our employees undergo regular training on the Do's and Don'ts of dealing with a suspected shoplifter or an erratic customer. Under strict company policy, there must always be at least two employees on the floor, including a manager on duty. In addition, over half of our stores now have advertised cameras to deter shoplifters, and we expect the vast majority to be equipped with this additional security feature in the coming years. Where appropriate, we also employ security guards responsible for loss prevention, so that our employees can focus all of their attention on serving customers.



In 2019, Dollarama plans on broadening its employee assistance program (EAP) so that it is not only event-driven but also available and easily accessible at all times on a confidential basis for a wide range of issues, whether work-related or personal. Once implemented, our revamped EAP support program will complement our existing employee support and communication channels.

ETHICAL BEHAVIOUR AND RESPECT FOR ALL

Dollarama has adopted a Code of Conduct and Ethics applicable to directors, management and employees. The Code provides guidelines for maintaining the integrity, reputation, honesty, objectivity and impartiality of Dollarama and addresses various types of business conduct, including compliance with laws, rules and regulations and reporting of illegal or unethical behaviour.

Dollarama is committed to upholding high standards of ethical behaviour and corporate governance. For more information on our governance frameworks and related policies, please visit www.dollarama.com and consult our latest Management Information Circular.

All employees must adhere to and acknowledge the Code upon their hiring. The Code also provides for whistleblower communication channels through which work-related concerns and suspected violations of the Code can be reported by employees on a confidential basis.

In 2015, Dollarama implemented a Vendor Code of Conduct providing guidelines regarding our expectations of the business practices of our partners, including towards their own employees.

DIVERSITY AND INCLUSION

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

An inclusive workplace

Discrimination based upon race, colour, sex, pregnancy, sexual orientation, civil status, age (except as provided by law), religion, political convictions, language, ethnic or national origin, social condition, disability or any other factors prohibited by law is not tolerated in our workplace. Dollarama has clear policies in place outlining

our expectations in this regard, on which all employees are trained and for which managers are responsible. These policies also go beyond employees and cover customer interactions as well—both regarding the standards our employees are expected to uphold, and the respect and dignity with which they must, in turn, be treated.

We consider the diversity of our workforce as a testimony to the inclusiveness of our workplace. Our workforce is fully representative of the diversity of the communities we serve.

Gender diversity

While Dollarama has not set a target regarding the representation of women among its employees and executives, we are committed to equality of opportunity and to the recruitment, retention, development and promotion of qualified female candidates, including at the highest levels. Women represent the vast majority of our employee base and are well represented in management positions.

IN 2018, THE BOARD OF DIRECTORS ADOPTED A BOARD DIVERSITY POLICY.

Women in stores

Women represent the vast majority of our in-store workforce. Their representation remains proportional across all positions, including across store management roles.

STORE EMPLOYEES	STORE MANAGERS
78% WOMEN 22% MEN	72% WOMEN 28% MEN

Women in corporate and field management

Women are well represented among our corporate functions and field management but are significantly under-represented in our warehousing and distribution centre operations. Recruiting women in these positions remains an industry-wide challenge.

CORPORATE, FIELD MANAGEMENT, WAREHOUSE AND DISTRIBUTION CENTRE EMPLOYEES

38% WOMEN 62% MEN

Women in executive functions

Currently, the offices of COO and Corporate Secretary are held by women, out of a total of six executive officers named by the Board of Directors.

EXECUTIVE OFFICERS

33% WOMEN 67% MEN

Board gender diversity

The Board of Directors has set a target to have each gender comprise at least 25% of the independent members of the Board of Directors. Currently, the Board meets this target with two of seven independent directors being women.

INDEPENDENT BOARD MEMBERS

29% WOMEN 71% MEN



COMMUNITY IMPACT

Last but not least, we are proud to contribute to the economic and social development of the communities we serve.

Economic value

Year after year, as our store network expands and as brand awareness increases, we reach new customers and provide them with convenient, well-designed locations offering a consistent shopping experience. As a recognized shopping destination, we help drive customer traffic to new and existing strip malls and shopping centres, and we create jobs in metropolitan areas, mid-sized cities, and small towns across Canada.

Direct economic value created by Dollarama’s activities

Stakeholder	Value Generated	Fiscal 2019
Customers	Sales	\$3.549 billion
	Value Distributed	
Vendors and Service Providers ⁴	Products and Services Purchased	\$2.083 billion
Employees	Salaries, Wages and Benefits Paid	\$396.4 million
Shareholders	Total Capital Returned to Shareholders	\$584.4 million
Capital Providers	Interest Paid to Debtholders	\$45.6 million
Communities	Taxes Paid	\$777.6 million
Communities	Stewardship Fees Paid Ecofees Collected and Remitted	\$11.2 million

Community giving

Dollarama also contributes to the community through corporate donations made to registered charitable organizations and in-kind contributions in the communities we serve.

At the corporate level we support a number of health, youth, education and social causes. We regularly support local or national research and patient care associations as well as hospital foundations and local museums. We also donate to food banks and veteran support groups on an annual basis.

Through our store network, we support local communities by providing in-kind donations for a broad range of causes and events—from charitable fundraisers to local school or community events, and sports teams. Dollarama looks forward to continuing to support the causes that are dear to our employees and the communities where we are present.



[4] Includes capital expenditures, merchandise and transportation costs, payments to landlords, utilities, recycling and waste management costs and professional fees.

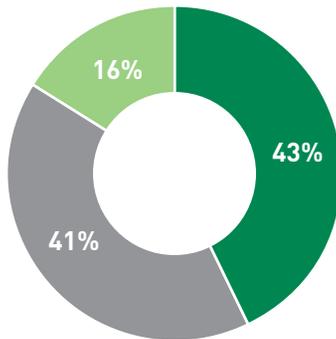
OUR PRODUCTS

A COMPELLING AND VARIED PRODUCT OFFERING

Our customers seek value and convenience, and our everyday objective is to meet and exceed those expectations by providing a consistent in-store shopping experience and offering a wide selection of general merchandise, consumable products and seasonal items at fixed price points up to \$4.00 per item.

Dollarama merchandise mix (based on retail value)

- General merchandise
- Consumables
- Seasonal



General merchandise includes party and office supplies, arts and crafts, greeting cards and stationery, giftware, household and kitchen ware, glassware, hardware, electronics, toys and select apparel.

Consumable products include household products such as paper, plastics, foils, cleaning supplies, basic health and beauty care products, pet food, drinks, confectionery, snacks and a selection of long-shelf life and unrefrigerated food products.

Seasonal products include merchandise for St. Patrick’s Day, Easter, Halloween, Valentine’s Day, Christmas, along with summer and winter merchandise, from gardening tools to snow carpets.

Our quality product offering is comprised of a mix of recognized brand name products and house brands. With nearly 5,000 active products available at any given time, we constantly adjust our product mix, refreshing 25 to 30% of our offering every year to help ensure that our customers find the products they seek at compelling value.

OFFERING SAFE, QUALITY PRODUCTS

Consumer product safety is our first and foremost priority. We have strict processes and controls in place to monitor the safety and quality of the products we sell—from vendor selection to product specifications and testing, packaging and labelling.

Regardless of where in the world a product is manufactured, the same high standards apply. This commitment to product safety has been imbedded in our buying processes and practices since the company’s inception. We also regularly review and assess our processes to ensure their effectiveness.

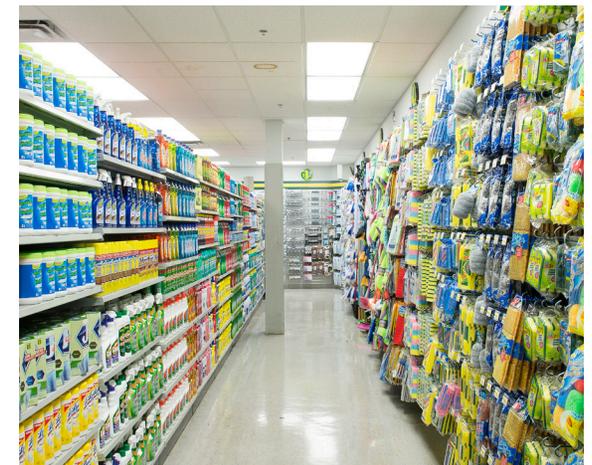
Vendor compliance

We only engage with reputable vendors who hold the required certifications for any given product. When they become Dollarama suppliers, vendors must meet all Canadian federal and, where applicable, provincial consumer product regulations and guidelines for any given product. They must also satisfy our own specifications, which may exceed regulatory requirements, and undertake to adhere to our Vendor Code of Conduct.

Safety and quality monitoring

Through the years, we have taken steps to enhance our practices and controls to ensure the products we source comply with Canadian regulations and our specifications.

Leveraging years of experience, technology investments and our direct sourcing expertise, we have adopted a risk-based approach to managing safety compliance, developing tailored programs for certain product categories. While all products must meet Canadian regulations and our specifications, we pay particular heed to baby and children’s products, jewelry, electronics, certain health and beauty products and food. These product categories carry higher risks if in non-compliance, as they may present health or safety-related hazards. For these categories, we have robust monitoring procedures in place, which include, but are not limited to, reviewing existing product safety audits and conducting additional audits or on-site inspections at the place of manufacture.



While we do not sell any refrigerated or short-shelf life/perishable goods, we do consider food to be a priority area in terms of product safety. In 2014, we developed a proprietary food factory assessment program that is systematically administered by our staff for all food products we source. This control process is in addition to standard third-party certification and testing. In 2018, our food compliance program also formally implemented the use of cross-audits. In certain situations we may choose to undertake an added third-party audit in order to validate an existing audit. This provides an additional level of certainty that a given facility meets all requirements.

Consumable or toy products which contain rubber, plastics or liquids are also subject to systematic testing and monitoring, including third-party testing, to monitor the presence of certain chemicals or heavy metals, depending on the product.

Ensuring that products meet specifications starts at manufacturing but remains just as important when it comes to labelling requirements, particularly for higher risk product categories. We have a strict internal approval process in place to monitor compliance in this regard, and regularly solicit third-party expertise to ensure that we are applying and meeting these requirements, and adapting as requirements evolve.

It is our duty to stay abreast of the latest consumer product guidelines and regulations, which are constantly

evolving. In turn, we must ensure that we engage with our suppliers in real-time regarding any changes. We take this responsibility very seriously. We have implemented initiatives in this regard, leveraging our technology to build communication channels and imbed these requirements within our procurement processes and systems. We also interact regularly with Health Canada, the Canadian Food Inspection Agency and Environment Canada as part of our efforts to stay informed of, and to adapt to, emerging trends or issues, or new regulations and guidelines put in place.

Product recalls

Recognizing that it is not always possible to identify a specific product concern upstream or to guarantee that all products are manufactured in accordance with specifications, Dollarama has implemented standardized recall procedures. These allow us to remove products from our shelves in a timely manner, whether required by regulators or on a proactive and voluntary basis.

Our procedures, which comply with regulatory requirements, are aimed at ensuring the rapid and efficient chain-wide removal of product from shelves, no matter the circumstance or level of risk the product may pose. This process is supported by standard protocols for the secure disposal of affected products as well as reporting mechanisms to track recall completion and effectiveness. As an added safety feature, through its point-of-sale system, Dollarama systematically blocks the sale of any product subject to a recall, making it impossible for a transaction to proceed.

In 2018, Dollarama toy products were the subject of five recalls, representing 0.3% of toy sales in terms of retail value. This is compared to two toy recalls in 2017, and three in 2016. No injuries were reported as a result of these recalls. For the same period, Dollarama had one food recall, compared to two the prior year, and three in 2016, with no reported injuries or serious adverse reactions. These include recalls of products we directly source as well as those conducted by national brands we carry. Dollarama continues to closely monitor the frequency and nature of product recalls as it evaluates its suppliers and its product offering, and as we constantly explore ways to improve our practices to ensure consumer product safety.

Effective in 2019, we post all recall information on our website in order to inform customers directly of recalls affecting products sold in our stores.

CUSTOMER SATISFACTION

Consumer product safety is a prerequisite but our key differentiator is based on providing our customers with a broad selection of quality products at compelling value.

Our stores offer a no frills, self-service environment. Although we have a no refund, no exchange policy in place given the low price points and the nature of the products we sell, this policy does not apply to defective products or products that do not meet reasonable quality standards.

To address any product issues that cannot be addressed in-store, we have a dedicated customer service department responsible for engaging with customers regarding their shopping or product experience. This ensures that qualified personnel systematically follow-up and evaluate all comments and claims. We also regularly survey our customers to better understand their needs and shopping experience. Customer feedback is constantly taken into consideration in our purchasing and merchandising practices and contributes to our decision-making as we refresh our product offering each year.

CHEMICAL-FREE TOYS

Ensuring that toys do not contain phthalates in excess of allowable limits, in addition to meeting all other chemical and heavy metals testing requirements, is paramount. After experiencing a series of recalls related to the potential presence of higher than allowable phthalate levels in plastic toy products in 2018, Dollarama revisited its product testing procedures for this category of products. This resulted in an increase in the number and frequency of tests to ensure consistency of results from lot to lot.



OUR SUPPLY CHAIN

DIRECT SOURCING: A COMPETITIVE ADVANTAGE

Direct sourcing is a fundamental part of Dollarama’s business model. Our ability to source the majority of our merchandise directly from suppliers is one of our competitive advantages. Direct sourcing allows us to diversify and enhance our product offering in a timely manner while maintaining industry-leading margins.

Ensuring that our suppliers meet our exacting product safety standards is our top priority. At the same time, we recognize our responsibility to transact with suppliers who treat their employees fairly and respect the environment.

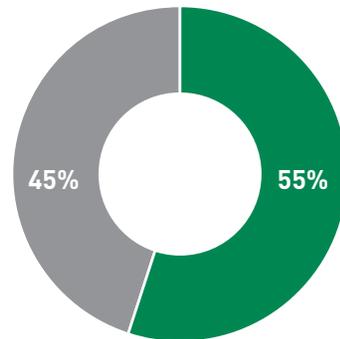
A DIVERSE SUPPLIER BASE

Over the years, Dollarama has built a broad network of preferred and trusted suppliers. Our top ten suppliers represent 25% of total purchases, with no single supplier accounting for more than 4% of total purchases. Our top 25 suppliers represent just over 40% of total purchases.

Merchandise sourcing (based on retail value)

- Sourced overseas
- Sourced in North America

DOLLARAMA SOURCES PRODUCTS FROM OVER 1,000 SUPPLIERS FROM AROUND THE WORLD.



This sourcing diversity reflects the broad assortment of merchandise we sell and our risk management policy, which focuses on reducing supply chain dependencies and disruptions. This is further supported by the fact that, while Dollarama has longstanding relationships with many of its top suppliers, it very rarely enters into long-term contracts but procures products on a purchase order by purchase order basis. This provides us with flexibility and, ultimately, the ability to terminate a relationship if standards are not met and remediation is not possible or not successful, without having a substantial impact on the merchandise assortment in our stores.

Products from around the world

While Dollarama imports a substantial proportion of its offering directly from China, our sourcing strategy blends directly imported goods from over 25 countries around the world. In addition, 45% of our products are sourced through North American vendors.

Depending on their nature and country of manufacture, the products we purchase have different environmental and social risk profiles. Based on industry data and research⁵, products that fall into the chemicals, rubber and plastic categories as well as our food products, which collectively represent a significant proportion of our overall offering, generally present lower social risk profiles, whereas electronics and apparel, which have generally represented less than 2% of our total purchases, respectively, present higher social risk profiles. From an environmental standpoint, the product category with the most potential impact within our assortment is food.⁵

CHINA, THE UNITED STATES AND CANADA REPRESENT THE TOP 3 COUNTRIES OF ORIGIN, OR 90% OF OUR PRODUCT OFFERING IN TERMS OF RETAIL VALUE.



[5] Based on a third-party supply chain risk assessment, including data from Social Hotspots and Eora global supply chain databases

RESPONSIBLE SOURCING AND EXTENDED SUPPLY CHAIN MONITORING

In addition to maintaining supplier diversity, Dollarama has implemented several mechanisms to directly address social and environmental risks.

We systematically assess the reputation and reliability of our suppliers prior to engaging with them. We require compliance with local laws and regulations both from a workplace and an environmental regulation standpoint. In addition, we require compliance with our Vendor Code of Conduct and Ethics without exception. Depending on a number of factors, vendors from whom we source products directly will also now be subject to our Vendor Compliance Survey. A social audit program is also being developed, with a launch expected in the second half of 2019. As a result, Dollarama’s comprehensive vendor compliance program will rest on three strong pillars—Vendor Code of Conduct and Ethics, Vendor Compliance Survey and Social Audit Program—with an emphasis on social issues.

Vendor Code of Conduct and Ethics

In 2015, Dollarama adopted a Board-approved Vendor Code of Conduct and Ethics (the “Vendor Code”) to formalize its expectations regarding the standards its suppliers are required to uphold as a prerequisite for engaging in a commercial relationship with Dollarama. The Vendor Code was also implemented to improve visibility and direct engagement with vendors on ethical, social responsibility and environmental issues.

Since its implementation, suppliers are required to adhere to the letter and spirit of the Vendor Code, and no purchase order may be placed with a supplier before Dollarama has a signed engagement form on file. Suppliers are also required to certify compliance with the Vendor Code every two years. Vendors are expected to ensure that the standards outlined in the Vendor Code are communicated, understood and implemented at every level of their organization. Vendors must also maintain complete and

accurate records and grant Dollarama or a designated agent of Dollarama with unrestricted access to facilities, records and workers for inspection purposes to ensure compliance with the Vendor Code.

If Dollarama determines that a supplier has violated the Vendor Code, the supplier is required to implement corrective action in order to meet Dollarama standards within a reasonable timeframe. Dollarama 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.

**AS OF THE END OF 2018,
ALL DOLLARAMA SUPPLIERS HAD
CERTIFIED COMPLIANCE
WITH THE VENDOR CODE.**

In connection with the Vendor Code, Dollarama established a whistleblower channel allowing any person who believes that a violation of the Vendor Code has occurred to report the relevant information confidentially to Dollarama.

In 2019, Dollarama will be updating its Vendor Code to broaden and detail its expectations for all vendors and partners. The objective is to better address certain issues of concern, primarily related to labour conditions, recruitment fee practices and other specific issues as deemed appropriate by the Management Committee, informed by our materiality assessment and, ultimately, approved by the Audit Committee of the Board of Directors. The Vendor Code is meant to be a living document and will continue to be revisited and updated, as appropriate. Once updated, a rollout to re-adhere all suppliers to the updated Vendor Code is expected to be completed by end of 2020.

WORKPLACE STANDARDS PROMOTED BY OUR VENDOR CODE

- Safe and healthy work environment
- No forced labour
- No child labour
- Fair disciplinary practices
- No discrimination
- Reasonable working hours, wages and benefits
- Efficient use of resources, materials and energy



Vendor Compliance Survey and engagement

In order to monitor compliance with the Vendor Code, Dollarama has developed a Vendor Compliance Survey. After an initial pilot, we will be rolling out this mandatory survey in phases to direct suppliers, based on a number of factors including the nature of the product sourced, country of origin, as well as the annual purchase volume.

**OUR OBJECTIVE IS TO HAVE
A SIGNIFICANT PROPORTION
OF SUPPLIERS COMPLETE
OUR VENDOR
COMPLIANCE SURVEY
BY THE END OF 2020.**

Over and above product safety, the survey is aimed at collecting data on vendor social practices and is designed in such a way as to allow Dollarama to better understand key risks in its supply chain and engage with suppliers so that, where required, they improve their practices. Specific areas covered include: health and safety, forced labour, child labour, disciplinary practices, discrimination, working hours, and wages and benefits.

The survey is mandatory and all questions must be answered. In addition to the question portion of the survey, it also requires the submission of documentation or proof regarding the topics outlined. For example, if a supplier confirms that they have a health and safety representative, they must provide this person's full name and contact information. If they confirm that they have a Health and Safety Policy, they must share it with us. Issues identified in the review of answers and documentation provided by suppliers will be investigated by way of on-site inspections, third party audits or otherwise.

This program is being overseen by a dedicated Dollarama compliance manager, responsible for increasing engagement with vendors on safety, environmental and social risks. This resource also supports our efforts to increase the effectiveness of the Vendor Code.

Third-party Social Audit Program

Through its longstanding product safety monitoring efforts, Dollarama has been conducting in-person visits and requiring audits of its suppliers since inception. Historically, the focus of these activities has been driven by product safety compliance, but over the years, it has also provided opportunities to assess working conditions.

To address social risks even more directly, Dollarama is implementing a third-party Social Audit Program in 2019 primarily focused on the monitoring of supplier social practices. This Program will contribute to monitoring compliance with the Vendor Code and will also complement activities related to our Vendor Compliance Survey.

Under this Program, selected vendors will be subject to a recognized third-party social audit in order for us to continue engaging with them. Given our limited resources, and our continued focus on product safety internally, these audits will be undertaken by specialized third-party firms, unless the selected supplier has recently undergone a social audit deemed equivalent by Dollarama.

The selection of vendors required to submit to this audit will be based on a number of factors including the nature of the product sourced, the country of origin, the annual purchase volume as well as information gathered by Dollarama through the Vendor Compliance Survey.

**THE VENDOR SELECTION
PROCESS FOR THE THIRD-PARTY
SOCIAL AUDIT PROGRAM
IS CURRENTLY UNDERWAY AND
WE EXPECT TO BEGIN ROLLING IT OUT
IN THE SECOND HALF OF 2019.**



OUR OPERATIONS

MINIMIZING OUR ENVIRONMENTAL FOOTPRINT

Managing our operations and resources responsibly while growing profitably has been a priority at Dollarama since inception. As a value retailer, Dollarama is incentivized to optimize operations at every turn, and to be as efficient and cost-effective as possible. From an environmental standpoint, this means continuously improving the energy efficiency of our stores and other facilities as well as third-party transportation, reducing packaging and waste, and improving waste recovery rates both in our stores as well as within our logistics operations.

As a retailer and importer, Dollarama’s operations are not energy-intensive relative to many other industries and, as a result, our direct greenhouse gas (GHG) emissions are relatively limited. We consume energy—mainly electricity—in our corporate offices, distribution centre and warehouses located in the Montréal, Québec, area and in our store network across Canada.

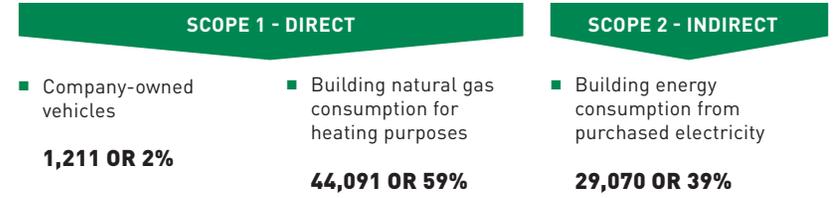
A large proportion of our electricity consumption is incurred in the Province of Québec and sourced from hydro power, which generates little to no GHG emissions. Our stores outside Québec purchase electricity from provincial grids, resulting in GHG emissions in locations that use fossil fuels, such as natural gas, for power generation. GHG emissions are also produced through the transportation of our goods, which is fulfilled by third-party transportation partners.

MANAGING CLIMATE CHANGE RISKS

Climate change is an international concern that is receiving increasing attention worldwide, and with good reason. Climate change poses real risks to our planet, to people and to businesses, both from a physical and future regulation standpoint.

As part of our enterprise risk assessment process, we are constantly evaluating the risks that could have a potentially material impact on our business, our supply chain and our operations. Recently, we have widened our risk assessment to ensure that it encompasses risks associated to climate change.

SOURCES OF GHG EMISSIONS – FY2018 (TONNES OF CO₂E)



EMISSIONS BY BUILDING TYPE



OPTIMIZING OUR ENERGY CONSUMPTION

Optimizing the energy consumption of our retail locations and other facilities is a top priority. We collaborate with subject-matter experts and utility companies to identify more energy efficient technologies and to incorporate energy saving specifications in our new store plans, or when we renovate or optimize existing operations, including stores, warehousing and distribution.

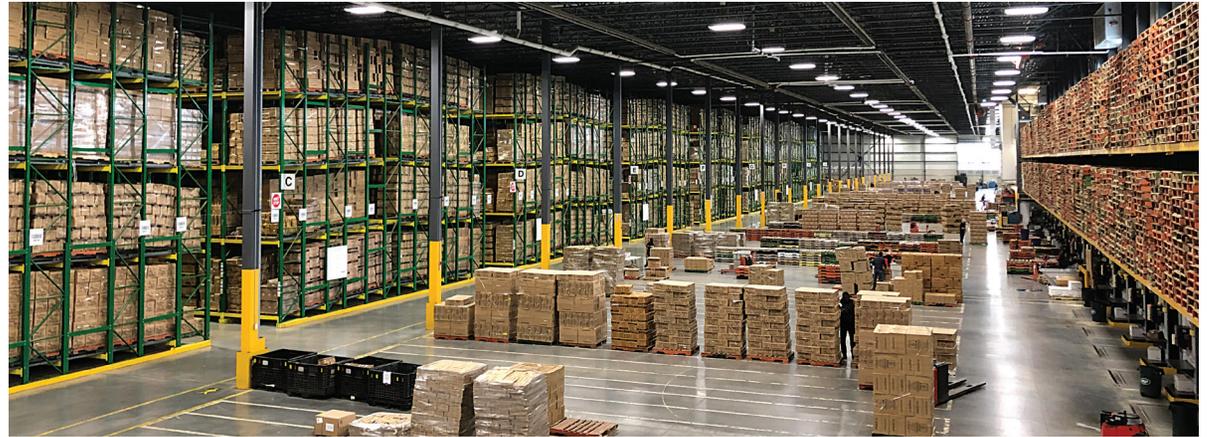
Working with an independent third party, we standardized the measurement of our direct GHG emissions (scope 1) and our indirect GHG emissions from the generation of purchased energy (scope 2) starting in 2015. We continue to track and measure our GHG emissions on an annual basis to inform our initiatives and measure their effectiveness.

Product transportation

Merchandise moves daily from our vendors' facilities to our warehouses, distribution centre and our 1,225 stores across Canada. Imported merchandise primarily arrives through the Port of Vancouver, and is shipped by rail to our centralized logistics operations in the Montreal-area prior to being redistributed across our store network.

We work with third-party carriers to move products as efficiently as possible. In 2013, we undertook a thorough analysis of our third-party logistics. At the time, the vast majority of our merchandise ready for delivery to stores would travel by truck. Our objective was to reduce our reliance on long haul truck transportation and increase our reliance on rail as much as possible. This would not only result in cost savings but also in a net reduction in the GHG emissions produced by our third-party transportation partners.

Our project was a success, and we have nearly eliminated the use of trucks for the delivery of merchandise over long distances from Montréal to major city centres west of Ontario all the way to the Pacific Coast. The same is true for certain locations in the Maritimes. From these terminals, merchandise is then delivered by truck to area stores using routes that are optimized for fuel-saving. This has resulted in a significant reduction in the number of trucks on the road and in the highway miles logged. To illustrate, in 2018, the use of rail resulted in the elimination of over 6,000 trailer-truck movements.



As we moved towards greater adoption of rail, we also worked with carriers to optimize the use of containers to ensure that they no longer travel empty. In the past, a shipment that came in by rail would be unloaded in Montréal and the container would be returned to the carrier. Today, we ensure that a maximum number of containers are returned full with new merchandise for distribution to our stores. This requires careful planning within our logistics operations but the result is well worth the effort.

As we continue to grow our store network across Canada, we are committed to achieving the highest efficiency in transportation and logistics to lower the fuel consumption and GHG emissions of our third-party carriers, and minimize our reliance on highway transportation wherever possible.

Efficient warehousing and distribution

In 2016, Dollarama inaugurated its sixth warehouse, a 500,000 square-foot facility in Lachine, increasing total warehousing capacity by approximately 40% on a square footage basis. For this project, we followed many of the guidelines of the internationally recognized Leadership in Energy & Environmental Design (LEED) assessment system, as we did for the building of our head office in 2007, to optimize energy efficiency and indoor environmental quality.

The new warehouse is fully equipped with LED lighting, energy saving motion sensors and radiant heating. We utilize state-of-the-art destratification fans to control air quality and ambient temperature. Regarding water usage, electronic controls are used to limit consumption within the building. The site also uses a water retention system to capture rainwater as well as an artesian well, which gathers groundwater for its irrigation system.

In 2018, Dollarama converted two existing warehouses to LED lighting. We are currently working on the conversion of all of our warehouses to this technology to further reduce energy consumption.

Since 2016, Dollarama has also been improving the efficiency of its forklift and charger fleet across its warehousing operations. Dollarama has opted to renew its charger fleet by investing in opportunity charging, a system that enables increased flexibility for the charging of forklifts, which not only results in better productivity but also increases the lifespan of batteries. This transition, which will continue over the coming years, has already had a significant impact on the lifespan of forklift batteries. This project is one of many initiatives being undertaken as we continue to invest and actively manage the efficiency of our mobile logistics equipment.

Distribution centre expansion project

Dollarama is currently expanding its distribution centre by approximately 50% to over 500,000 square feet to support its long-term growth. While the primary objective of this project is to increase capacity, the renovation and expansion work has been designed with the same sustainable energy principles as our 2016 warehouse construction project. Dollarama is also proceeding with a number of energy efficiency upgrades to the existing facility, including to heating and ventilation systems. We are studying the conversion of the entire facility to LED lighting, which has been installed in the new building extension as per our new build specification standards.

These investments will help improve energy performance and provide employees with a bright, clean and consistently temperate work environment.

Energy-efficient stores

Reducing energy consumption in our expanding store network is a priority. Some of our stores are equipped with energy management systems that centrally control and manage heating, ventilation, air conditioning and lighting to curb energy use when it is least required. And there are opportunities to further improve our performance in this regard. In 2019, we will be upgrading some of our existing energy management systems to benefit from the latest technologies to even more effectively control, and ultimately lower, our energy consumption.



Several years ago, we also took the decision to systematically eliminate the use of ballasts and prioritize the use of energy-efficient LED lighting inside all of our stores. Since 2017, ballast-less fixtures and LED technology are standard specifications for all new stores as well as for relocations and major renovations to existing stores. We are gradually retrofitting existing stores with LED lighting and expect to continue with this conversion over the next several years. We also adopted the use of LED fixtures for exterior signs. About 1,000 of our stores across Canada are equipped with LED signage.

RECYCLING AND WASTE MANAGEMENT

Waste reduction is at the core of Dollarama's business model and low-cost operations. Waste reduction starts by minimizing packaging, followed by maximizing the reuse and recycling of material, prior to efficient waste recovery.

Minimizing product packaging

Dollarama designs the packaging of a large number of products available in its stores and sold under its private labels. Minimizing product packaging is a core principle of our cost-effective approach. Product packaging also contributes directly to efficient transportation. The more items that can fit in an individual package, a case or a pallet, and in a container, the fewer containers or trucks need to be used.

Successful reuse

Dollarama emphasizes the reuse of many of its own materials to ultimately divert waste from going to landfills. For example, we prioritize the reuse of our own cardboard boxes for the transportation of our products, instead of buying new ones. This ensures a longer life span for our cardboard boxes. This has resulted in a net reduction in new cardboard boxes introduced within our packaging and logistics operations.

Upon the launch of its online store in 2019, Dollarama opted to sell items by the full case only through this platform. This has avoided the need to repackage products,

which get shipped to customers in the original vendors' cases. We have also extended our cardboard box initiative to the online store, re-using our own cardboard boxes for the packing of cases for online order shipments instead of using new ones. Here, we recycle our own boxes when an item's original packaging is not adequate for third-party transportation.

This same 'reuse' principle applies to wooden pallets used in our warehouses and distribution centre for the shipment of merchandise to individual stores. Dollarama has been maximizing the reuse of its pallets across its facilities since 2013. Dollarama reused over 20% of its pallets in 2019 in addition to prioritizing the purchase of recycled pallets through third-party providers instead of introducing new pallets into the system.

Improving cardboard and plastic recycling rates

In addition to re-using cardboard boxes, we have also vastly enhanced cardboard box and plastic recycling efforts in-store, in our warehouses and in our distribution centre in an effort to divert as much waste as possible from going to landfills.

Many of our facilities use carton compactors or dual balers for the recycling of both carton and plastic. All of our warehouses are equipped with compactors and our DC is also equipped with baling technology, which is being enhanced as part of its expansion.



We also continue to install dual balers in our stores, resulting in less waste, and lower waste management costs, and we participate in the Cascades Recovery Plus® Program. In 2018, through our participation in this program, over 4,316 metric tonnes of material were recovered just from our stores, resulting in the diversion of 17,523 cubic yards of material from being landfilled.

**TO IMPROVE THE EFFICIENCY OF
CARDBOARD AND PLASTIC RECYCLING,
WE HAVE INSTALLED
DUAL BALERS IN
OVER 200 STORES
TO DATE AND CONTINUE TO INSTALL
MORE BALERS IN STORES EACH YEAR.**



We expect to continue to install more balers across our store network, with an objective of 30 to 40 additional dual balers to be deployed in 2019. The decision to install a baler in a given location is driven by several factors including whether or not we are responsible for waste management at the site, municipal by-laws, store location and size, return on investment and other factors.

With the support of third-party service providers, we continue to develop new initiatives aimed at reducing waste, maximizing the reuse of material and recycling more within our facilities.

Offering alternatives to single-use plastic bags

In 2018, Dollarama phased out the use of small disposable plastic bags across the chain and implemented a \$0.05 fee for its medium- and large-format disposable plastic bags, in markets where the use of single-use plastic bags is permitted. At the same time, Dollarama expanded its reusable bags selection, which are 100% recyclable and available for purchase at check-out in all stores. This has resulted in a significant reduction in the use of plastic bags across our store network.

**AS A RESULT OF
OUR VARIOUS INITIATIVES,
PLASTIC BAG
CONSUMPTION IN OUR
STORES DECREASED
BY 55% IN 2018
RESULTING IN 190 MILLION
FEWER BAGS IN CIRCULATION.**

PARTICIPATION IN STEWARDSHIP PROGRAMS

Dollarama is a registered Industry Steward in all provinces that have put programs in place. Through these programs, we assume a certain percentage of the net costs of municipal curbside recycling according to the type and quantity of materials Dollarama sells.

We also participate in several provincial programs that collect eco-fees on certain products to contribute to related recovery and recycling efforts.

Limiting product and food waste

We manage our store inventories in an efficient manner to ensure that popular items are always in stock to meet customer expectations, while constantly striving to minimize losses.

Except for a limited number of items that may be discarded due to seasonality, merchandise is generally only discarded as a result of damage, expiry dates, and exceptionally, quality or safety issues. Our policy is for items to be destroyed by store personnel prior to being safely discarded. Unlike grocery stores and retailers that stock short-shelf life or refrigerated products, our food waste is minimal both due to the nature of the food products we sell and their high turnover rate.

All these initiatives, small or large, have a positive impact on the environment. As we continue to grow, we continue to explore new ways and take further steps to reduce our energy consumption and our carbon footprint and to better manage the waste generated by our activities.

Reducing paper use

Over the last several years, Dollarama has made a number of technological investments that have not only improved the efficiency of our operations, but also significantly reduced our reliance on paper.

A significant example of going paperless has been the expanded use of handheld devices equipped with proprietary mobile applications for tasks performed by store associates. Handheld devices have been widely used in our stores since 2016, and have led to the elimination of the equivalent of 30 pages of paper per day, per store. For example, inventory counts used to be recorded on paper, resulting in thousands of pages being transmitted by fax to head office every day. Similarly, all communications from head office to stores are now displayed on devices in stores, point-of-sale terminals or handheld devices, as opposed to being systematically printed. We continue to look at ways to further eliminate the use of paper in stores.



**THE USE OF
HANDHELD DEVICES
FOR STORE TASKS
HAS ELIMINATED THE USE OF WHAT TODAY,
WITH OVER 1,200 STORES, WOULD REPRESENT
NEARLY 13 MILLION PAGES OF PAPER
ANNUALLY.**

In 2015, Dollarama implemented a payroll portal so that non-store employees can access their payroll slips electronically, also reducing the use of paper for the mailing of printed payroll information. In addition, Dollarama does not produce or distribute advertising or promotional flyers, a significant source of disposable paper consumption.

In 2019, Dollarama adopted the notice-and-access procedures permitted by Canadian securities laws for the delivery of all proxy materials to shareholders in advance of its annual meeting of shareholders. Under the notice-and-access procedures, shareholders only receive a copy of the notice of meeting and notice of availability of proxy materials, and a voting instruction form, and are invited to consult the materials online. Paper copies are available upon request only, resulting in a significant reduction of printing and mailing, estimated at over 85%.

DATA SECURITY AND PRIVACY

We depend on information technology systems for the efficient functioning of our operations and we take data security very seriously. Our annual investment and focus on systems integrity is commensurate with the mission critical nature of this infrastructure.

We do not store customer data such as cardholder information and other personally identifiable information on our systems at store level. For online sales, we must record certain personally identifiable information through our transactional website, such as names and addresses. Payment card information is not stored by Dollarama and is handled by third-party processors.

We also collect and maintain proprietary and confidential information related to our business and affairs, including our suppliers and employees. This data is stored and processed both at onsite facilities and at third-party facilities.

**TO DATE,
DOLLARAMA HAS
NEVER EXPERIENCED
A DATA BREACH
RESULTING IN THE DISCLOSURE OF
PERSONALLY IDENTIFIABLE INFORMATION
OR MATERIAL AND PROPRIETARY
CORPORATE INFORMATION.**

Dollarama is absolutely committed to maintaining the privacy and security of its customers' personal data as well as its own proprietary information. Dollarama's information technology team, with the support of third-party experts, continues to work daily to ensure the integrity of all systems.

ADDITIONAL INFORMATION

ABOUT THIS REPORT

Dollarama is a publicly-traded Canadian company and issues deemed material to our business are addressed in our continuous disclosure documents available at www.sedar.com under our company profile and in the Investor Relations section of our corporate website at www.dollarama.com. This report should be read in conjunction with our regulatory filings.

The data contained in this report covers all areas of our business that are corporately-owned and operated, and includes the most current annual data available. With the exception of financial information extracted from our annual audited financial statements, the data contained in this report is unaudited. References to 2018, 2019 or 2020 are to the fiscal years ended January 28, 2018, February 3, 2019, and February 2, 2020, respectively, unless otherwise indicated.

For more information about this report or to share your comments, we invite you to contact Josée Kouri, Vice President, Legal Affairs and Corporate Secretary, at corporatesecretary@dollarama.com.

FORWARD-LOOKING INFORMATION

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

These factors include the inability to sustain our assortment and the replenishment of merchandise, the increase in the cost or a disruption in the flow of imported goods, the failure to maintain brand image and reputation, the market acceptance of private brands, the competition in the retail industry, general economic conditions, the departure of senior executives, the failure to attract and retain quality employees, the disruption in information technology systems, the inability to protect systems against cyber attacks, adverse weather, natural disasters, climate change, geopolitical events, product liability claims and product recalls, litigation, and regulatory and environmental compliance. This is not a complete list of the risk factors that could affect Dollarama; however, these factors should be considered carefully. For more exhaustive information on risk factors, please refer to Dollarama's Management's Discussion and Analysis (MD&A) for the year ended February 3, 2019, and to subsequent quarterly MD&As for changes and updates to these risk factors, if any. These documents are available at www.sedar.com under our company profile and in the Investor Relations section of our corporate website at www.dollarama.com.

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