Annual Information Form

FISCAL YEAR ENDED JANUARY 30, 2022

April 19, 2022

DOLLARAMA

CONTENTS

1 EXPLANATORY NOTES

Unless otherwise indicated, the information in this annual information form (the "Annual Information Form") is stated as at January 30, 2022, the last day of the Corporation's most recently completed fiscal year, and all dollar amounts are expressed in Canadian dollars.

The Corporation's fiscal year ends on the Sunday closest to January 31 and usually has 52 weeks. However, as is traditional with the retail calendar, every five or six years, a week is added to the fiscal year. References to "Fiscal 2023" are to the Corporation's fiscal year ending January 29, 2023, to "Fiscal 2022" are to the Corporation's fiscal year ended January 30, 2022, to "Fiscal 2021" are to the Corporation's fiscal year ended January 31, 2021 and to "Fiscal 2020" are to the Corporation's fiscal year ended February 2, 2020.

References to "Dollarama" or the "Corporation" refer to Dollarama Inc. and all of its subsidiaries, collectively, or to Dollarama Inc. or one or more of its subsidiaries, as applicable. The Corporation manages its business under one reportable segment.

1.1 Forward-Looking Statements

This Annual Information Form contains certain forward-looking statements about current and future plans, expectations and intentions, results, levels of activity, performance, goals or achievements (including ESG-related goals and initiatives) or other future events or developments. The words "may", "will", "would", "should", "could", "expects", "plans", "intends", "trends", "indications", "anticipates", "believes", "estimates", "predicts", "likely" or "potential" or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking statements. Forward-looking statements are based on information currently available to management and on estimates and assumptions made by management regarding, among other things, general economic and geopolitical conditions and the competitive environment within the retail industry in Canada and in Latin America, in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that are believed to be 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, level of activity, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements, including the following factors which are discussed in greater detail in the "Risk and Uncertainties" section of the Corporation's Management's Discussion and Analysis for Fiscal 2022 ("Fiscal 2022 MD&A"): future increases in operating costs (including increases in statutory minimum wages and incremental costs associated with COVID-19 measures), future increases in merchandise costs (including as a result of rising raw material costs and tariff disputes), future increases in shipping and transportation costs (including as a result of freight costs and fuel price increases), inability to sustain assortment and replenishment of merchandise, increase in the cost or a disruption in the flow of imported goods (including as a result of the COVID-19 pandemic, global supply chain disruptions and the geopolitical instability triggered by the conflict between Russia and Ukraine), failure to maintain brand image and reputation, disruption of distribution infrastructure, inventory shrinkage, inability to enter into or renew, as applicable, store, warehouse and head office leases on favourable and competitive terms, inability to increase warehouse and distribution centre capacity in a timely manner, seasonality, market acceptance of private brands, failure to protect trademarks and other proprietary rights, foreign exchange rate fluctuations, potential losses associated with using derivative financial instruments, level of indebtedness and inability to generate sufficient cash to service debt, changes in creditworthiness and credit rating and the potential increase in the cost of capital, interest rate risk associated with variable rate indebtedness, competition in the retail industry, disruptive technologies, general economic conditions, departure of senior executives, failure to attract and retain quality employees, disruption in information technology systems, inability to protect systems against cyber attacks, unsuccessful execution of the growth strategy, holding company structure, adverse weather, pandemic or epidemic outbreaks, earthquakes and other natural disasters, climate change, geopolitical events and political unrest in foreign countries, unexpected costs associated with current insurance programs, product liability claims and product recalls, litigation, regulatory and environmental compliance and shareholder activism.

These factors are not intended to represent a complete list of the factors that could affect the Corporation; however, they should be considered carefully. The purpose of the forward-looking statements is to provide the reader with a description of management's expectations regarding the Corporation's operational and financial performance and may not be appropriate for other purposes. Readers should not place undue reliance on forward-looking statements made herein. Furthermore, unless otherwise stated, the forward-looking statements contained herein are made as at the date of this Annual Information Form, 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.

All forward-looking statements contained in this Annual Information Form are expressly qualified by this cautionary statement.

1.2 Accounting Principles, Non-GAAP and Other Financial Measures

The Corporation's financial statements, available on SEDAR at www.sedar.com, are prepared in accordance with generally accepted accounting principles ("GAAP") in Canada as set out in the CPA Canada Handbook – Accounting under Part 1, which incorporates International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB).

This Annual Information Form refers to EBITDA, a non-GAAP financial measure representing operating income plus depreciation and amortization. This measure is not recognized under GAAP, does not have a standardized meaning prescribed by GAAP and is therefore unlikely to be comparable to similar measures presented by other issuers. Management believes that the presentation of this measure is appropriate. However, it has important limitations as an analytical tool, and readers should not consider it in isolation, or as a substitute for analysis of the Corporation's results as reported under GAAP. Reference is made to the section entitled "Non-GAAP and Other Financial Measures" of the Corporation's Fiscal 2022 MD&A, available on SEDAR at www.sedar.com, for additional information on non-GAAP measures and for the reconciliation of EBITDA to the most directly comparable GAAP measure.

1.3 Market and Industry Data

The market and industry data presented in this Annual Information Form has been obtained from a combination of internal company surveys, third-party information, including third-party websites, and estimates of management. While those sources are believed to be reliable, they have not been independently verified, and management has no assurance that the information contained in third-party websites is current and up-to-date. While management is not aware of any misstatements regarding the market and industry data presented in this Annual Information Form, such data involves risks and uncertainties and is subject to change based on various factors, including those discussed under "Forward-Looking Statements" herein and under the "Risk and Uncertainties" section of the Corporation's Fiscal 2022 MD&A.

2 BACKGROUND

The Dollarama business was founded in 1992 by Larry Rossy, a third-generation retailer. Over the years, the management team introduced a number of key initiatives that have defined the Dollarama business model. These include (i) adopting a fixed price point retail concept; (ii) pursuing the store network expansion strategy across Canada, leading to stronger brand awareness and increased sales; and (iii) implementing a program to directly source merchandise from overseas vendors, thereby reducing merchandise costs and diversifying and enhancing the product offering.

Today, Dollarama is a leader in the Canadian value retail industry, with more than 1,400 stores, all corporately-operated, and over 24,000 employees. Our purpose is clear: provide Canadians from all walks of life with the best quality and value on every dollar they spend and provide them with proximity and convenient access to affordable, everyday items that address their needs and exceed their expectations. Merchandise is sold at select fixed price points up to $4.00.

Dollarama also owns a 50.1% interest in Dollarcity, a growing Latin American value retailer, since August 2019. Just like Dollarama in Canada, Dollarcity offers a broad assortment of consumable products, general merchandise and seasonal items at select fixed price points up to US$4.00 (or the equivalent in local currency) in El Salvador, Guatemala, Colombia and Peru through 350 conveniently located stores.

Dollarama through the years

1992	2004	2009	2011	2012	2013
Dollarama founded as single-price point retail chain by Larry Rossy	Investment by Bain Capital	Initial public offering (TSX:DOL) 585 stores in 10 provinces Introduction of multi-price point strategy	Sale by Bain Capital of remaining equity stake Declaration of first dividend	Introduction of $2.50 and $3.00 price points Launch of first NCIB Publication of first sustainability statement	Beginning of commercial partnership with LATAM value retailer Dollarcity
2015	**2016**	**2019**	**2020**	**2021**	**2022**
Opening of 1,000th Dollarama store Introduction of first Vendor Code of Conduct	Introduction of $3.50 and $4.00 price points Appointment of Neil Rossy as President and CEO	Launch of online store for bulk sales Acquisition of 50.1% of Dollarcity; target of 600 stores by 2029 (excl. Peru) Publication of first ESG report	Recognition as essential business amid COVID-19 pandemic	New long-term target of 2,000 Dollarama stores in Canada by 2031 Dollarcity enters Peru Publication of first SASB-aligned ESG report	Gradual introduction of price points up to $5.00

3 CORPORATE STRUCTURE

3.1 Incorporation and Other Information

The Corporation was incorporated under the *Canada Business Corporations Act* (“CBCA”) by articles of incorporation dated October 20, 2004 under the name 4258401 Canada Inc. The Corporation’s name was thereafter changed to Dollarama Capital Corporation pursuant to articles of amendment dated November 16, 2004. The Corporation’s articles were further amended on December 20, 2006 to, among other things, create classes of common and preferred shares, and on September 8, 2009 to change its name to Dollarama Inc. Immediately preceding the closing of its initial public offering on October 16, 2009, the Corporation amalgamated with 4513631 Canada Inc., one of its holding corporations, under the CBCA pursuant to articles of amalgamation dated October 16, 2009. On June 19, 2018, the Corporation’s articles were amended to subdivide the number of common shares of the Corporation on a three-for-one basis. See “Description of Capital Structure – Share Splits”.

The Corporation’s head and registered office is located at 5805 Royalmount Ave., Montreal, Québec, H4P 0A1. The Corporation’s common shares trade on the Toronto Stock Exchange (“TSX”) under the symbol “DOL”.

3.2 Intercorporate Relationships

The Corporation’s principal subsidiaries, their jurisdiction of incorporation or formation and the Corporation’s share ownership percentage in each as at January 30, 2022 are as follows:

Subsidiary	Jurisdiction of Incorporation or Formation	Ownership Percentage
Dollarama L.P.	Québec	100%
Dollarama International Inc.	Canada	100%
Central American Retail Sourcing, Inc.	Panama	50.1%

Dollarama L.P. operates the chain of Dollarama stores in Canada and performs related logistical and administrative support activities.

Dollarama International Inc. (“Dollarama International”) holds a 50.1% interest in Central American Retail Sourcing, Inc. (“CARS”), the parent company of the Dollarcity group (“Dollarcity”), since August 14, 2019. As per the terms of the stockholders agreement (the “Stockholders Agreement”) entered into among Dollarama International and Dollarcity’s founding stockholders, who retained a 49.9% interest, certain specified strategic and operational decisions are subject to the approval of all stockholders. These include, but are not limited to, decisions related to capital structure, nature of the business, merger and acquisition activities, executive officer appointments and remuneration, approval of annual budget and business plan, and any entry into a new country. As a result, Dollarcity is treated as an equity investee, and the Corporation is accounting for this investment as a joint arrangement using the equity method. The Corporation’s 50.1% share of Dollarcity’s net earnings for the period from January 1, 2021 to December 31, 2021 was $33.2 million.

Under the terms of the Stockholders Agreement, Dollarcity’s founding stockholders have a put right pursuant to which they can require, in certain circumstances, that Dollarama International purchase shares of CARS held by them at fair market value. This right is exercisable in the ordinary course commencing on October 1, 2022 and is subject to certain transaction size thresholds, required ownership thresholds and freeze periods, among other conditions and restrictions. This right may also be exercised upon the occurrence of certain extraordinary events, including a change in control of the Corporation and a sale of Dollarcity.

4 GENERAL DEVELOPMENT OF THE BUSINESS

As at January 30, 2022, Dollarama operated 1,421 stores across Canada, and generated sales of $4.331 billion and EBITDA of $1.283 billion during the fiscal year ended January 30, 2022.

Over the three most recently completed fiscal years, Dollarama opened a total of 196 net new stores, expanded a total of 24 stores and relocated a total of 21 stores, representing in the aggregate an addition of 2,235,338 square feet to its retail network in Canada, or an increase of 17.9% since February 4, 2019.

Dollarama also owns a 50.1% equity interest in Dollarcity, a Latin American value retailer, since August 14, 2019. Dollarcity operated a total of 350 stores across El Salvador, Guatemala, Colombia and Peru as at December 31, 2021, and generated sales of US$507.8 million ($636.6 million) during its fiscal year ended December 31, 2021.

Highlights relating to the development of the Dollarama business over the three most recently completed fiscal years and for the current fiscal year are described below.

4.1 Response to COVID-19 Pandemic

On March 11, 2020, the World Health Organization declared COVID-19, the disease caused by SARS-CoV-2, a pandemic. Shortly thereafter, the jurisdictions in which Dollarama operates imposed strict measures to slow down the transmission of the virus, which measures were lifted and tightened again in successive waves as new variants emerged. These measures included travel restrictions, self-isolation and stay-at-home measures, temporary closures of non-essential services and businesses, temporary bans on the sale of non-essential items, curfews, in-store capacity limits and other physical distancing requirements.

From the outset of the pandemic, Dollarama was recognized as an essential business. Management implemented mitigation strategies, contingency plans and several preventive measures to protect the health and safety of employees and customers. Once these measures were in place, the primary focus was on maintaining stores open and well-stocked with affordable everyday products and on offering the same compelling value proposition to customers.

Restrictions implemented by different levels of governments and measures adopted by the Corporation in response to the pandemic impacted operations, operating costs, store traffic, sales, as well as labour productivity and availability during Fiscal 2021 and Fiscal 2022. It remains difficult to reliably estimate potential collateral effects of the pandemic on the Corporation’s business and affairs in Fiscal 2023 and beyond. See the “Risks and Uncertainties” section of the Corporation’s Fiscal 2022 MD&A (Risks Related to Business Operations – COVID-19 Pandemic).

4.2 Fiscal 2023 Developments

Introduction of Additional Price Points
On March 30, 2022, the Corporation announced that throughout the course of Fiscal 2023, it will gradually roll out additional price points up to $5.00, consistent with its multi-price point strategy in place since 2009. Over time, this will enable the Corporation to maintain and enhance its broad product assortment and compelling value.

Dividend Increase
On March 30, 2022, the Corporation announced that its board of directors (the “Board of Directors”) had approved a 10% increase of the quarterly dividend for holders of its common shares, to $0.0553 per common share.

4.3 Fiscal 2022 Developments

Warehouse Capacity Expansion
In Fiscal 2022, Dollarama entered into a long-term lease for a seventh warehouse, located in Laval, Quebec, to increase its near-term warehousing capacity. The new 500,000 square foot built-to-suit facility is currently under construction and is expected to be operational by the end of Fiscal 2023. See “Business of the Corporation – Warehousing and Distribution”.

Private Offering of $700 Million Senior Unsecured Notes
On July 8, 2021, the Corporation issued two tranches of fixed rate senior unsecured notes due, respectively, July 8, 2026 (the “1.871% Fixed Rate Notes”) and July 9, 2029 (the “2.443% Fixed Rate Notes”) by way of private placement in Canada in reliance upon exemptions from the prospectus requirements under applicable securities legislation. The 1.871% Fixed Rate Notes were issued at par for aggregate gross proceeds of $375.0 million and bear interest at a fixed rate of 1.871% per annum, payable in semi-annual instalments, in arrears, on January 8 and July 8 of each year until maturity on July 8, 2026. The 2.443% Fixed Rate Notes were issued at par for aggregate gross proceeds of $375.0 million and bear interest at a fixed rate of 2.443% per annum, payable in semi-annual instalments, in arrears, on January 9 and July 9 of each year until maturity on July 9, 2029. The Corporation used the net proceeds of these offerings to repay the $525.0 million aggregate principal amount of 2.337% Fixed Rate Notes due July 22, 2021, to repay outstanding USCP Notes (as defined below) and for general corporate purposes. The 1.871% Fixed Rate Notes and the 2.443% Fixed Rate Notes were assigned a rating of BBB, with a stable trend, by DBRS Morningstar (“DBRS”). See “Description of Material Indebtedness – Senior Unsecured Notes” and “Ratings”.

Amendments to the Credit Agreement
The Third Amended and Restated Credit Agreement was amended twice during Fiscal 2022, first on March 9, 2021 and then again on July 6, 2021. The main purpose of the March 9, 2021 amendment was to extend the term of Facility B and Facility C from September 29, 2022 to September 29, 2023, whereas the main purpose of the July 6, 2021 amendment was to extend the term of each facility as follows: (i) Facility A from September 27, 2024 to July 6, 2026, (ii) Facility B from September 29, 2023 to July 5, 2024, (iii) Facility C from September 29, 2023 to July 5, 2024, and (iv) Facility D from September 20, 2021 to July 6, 2022. See “Description of Material Indebtedness – Credit Facility”.

2021-2022 Normal Course Issuer Bid
On July 5, 2021, the Corporation renewed its normal course issuer bid to purchase for cancellation up to 19,376,824 common shares (representing 7.5% of the public float of the common shares as at the close of markets on June 30, 2021) during the 12-month period from July 7, 2021 to July 6, 2022 (the “2021-2022 NCIB”).

As at January 30, 2022, the Corporation had purchased for cancellation a total of 11,991,389 common shares under the 2021-2022 NCIB, at a weighted average price of $58.89 per common share, for a total cash consideration of $706.2 million. See “Description of Capital Structure – Normal Course Issuer Bid”.

Board Composition
On June 9, 2021, Ms. Samira Sakhia was elected director and appointed member of the Audit Committee. See “Directors and Officers”.

New Long-term Store Target
On March 31, 2021, following a careful evaluation of the market potential for Dollarama stores across Canada and the continued relevance of Dollarama’s business model, management announced a new long-term store target of 2,000 stores by 2031, up from the previously disclosed long-term store target of 1,700 stores. Management also reiterated its confidence in reaching this objective while maintaining an average new store capital payback period of approximately two years.

Factors taken into consideration in the evaluation, among others, included census and household income data, the current competitive retail landscape, the real estate landscape, rates of per capita store penetration, historical performance of comparable and new stores, and the current real estate pipeline.

Dividend Increase
On March 31, 2021, the Corporation announced that its Board of Directors had approved a 7.0% increase of the quarterly dividend for holders of its common shares, to $0.0503 per common share.

Appointment of New Chief Financial Officer
Effective March 1, 2021, Jean-Philippe (J.P.) Towner succeeded Michael Ross as Chief Financial Officer of the Corporation. See “Directors and Officers”.

4.4 Fiscal 2021 Developments

Dividend Increase
On December 9, 2020, the Corporation announced that the Board of Directors had approved a 6.8% increase of the quarterly dividend for holders of its common shares, to $0.047 per common share.

Private Offering of $300 Million Senior Unsecured Notes
On September 18, 2020, the Corporation issued fixed rate senior unsecured notes due September 20, 2027 (the “1.505% Fixed Rate Notes”) by way of private placement in Canada in reliance upon exemptions from the prospectus requirements under applicable securities legislation. The 1.505% Fixed Rate Notes were issued at par for aggregate gross proceeds of $300.0 million. The Corporation used the net proceeds of this offering to repay the $300.0 million aggregate principal amount of outstanding Series 3 Floating Rate Notes due February 1, 2021 and for general corporate purposes. The 1.505% Fixed Rate Notes were assigned a rating of BBB, with a stable trend, by DBRS. See “Description of Material Indebtedness – Senior Unsecured Notes” and “Ratings”.

Payment of Balance of Purchase Price for 50.1% Interest in Dollarcity
On September 10, 2020, the balance of purchase price of US$52.7 million ($69.3 million) for the Corporation’s 50.1% equity interest in Dollarcity was paid. This payment followed a cash payment of US$40.0 million ($52.8 million) made on August 14, 2019, when the Corporation closed the acquisition.

The final purchase price of US$92.7 million ($122.1 million) was calculated using 50.1% of a five times multiple of Dollarcity’s EBITDA for the 12-month period ended June 30, 2020, minus net debt and subject to other adjustments, following completion of the audit of Dollarcity's financial statements for the reference period, in accordance with the terms of the share purchase agreement entered into on August 14, 2019.

2020-2021 Normal Course Issuer Bid
On July 3, 2020, the Corporation renewed its normal course issuer bid to purchase for cancellation up to 15,548,326 common shares (representing 5.0% of the common shares issued and outstanding as at June 30, 2020) during the 12-month period from July 7, 2020 to July 6, 2021 (the “2020-2021 NCIB”).

The Corporation purchased for cancellation a total of 7,807,079 common shares under the 2020-2021 NCIB, at a weighted average price of $56.46 per common share, for a total cash consideration of $440.8 million. See “Description of Capital Structure – Normal Course Issuer Bid”.

Investment in Real Estate Assets of Dollarcity
On May 8, 2020, the Corporation, through Dollarama International, and Dollarcity’s founding stockholders, each made a capital contribution to Dollarcity to cover their pro rata share of the costs associated with a series of transactions aimed at bringing real estate assets into the Dollarcity group, eliminating related-party transactions and insourcing some logistics activities. The Corporation’s capital contribution amounted to US$20.0 million ($28.0 million) and was added to the equity-accounted investment of the Corporation in Dollarcity. See “Business of the Corporation – Dollarcity”.

Recognition as Essential Business amid COVID-19 Pandemic
From the outset of the COVID-19 pandemic in March 2020, Dollarama was recognized as an essential business across Canada, allowing its stores to remain open during government-mandated closures of non-essential services and businesses. Dollarcity received the same recognition in its countries of operation. See “General Development of the Business – Response to COVID-19 Pandemic”.

U.S. Commercial Paper Program
On February 18, 2020, the Corporation announced the establishment of a commercial paper program in the United States on a private placement basis, in reliance upon exemptions from registration and prospectus requirements under applicable securities legislation (the “US Commercial Paper Program”). Under the terms of the US Commercial Paper Program, the Corporation may issue, from time to time, unsecured commercial paper notes with maturities not in excess of 397 days from the date of issue (the “USCP Notes”). The aggregate principal amount of USCP Notes outstanding at any one time under the US Commercial Paper Program may not exceed US$500.0 million. Proceeds from the issuance of USCP Notes are used for general corporate purposes. See “Description of Material Indebtedness – US Commercial Paper Program” and “Ratings”.

Amendments to the Credit Agreement
On February 14, 2020, the Corporation and the lenders entered into the Third Amended and Restated Credit Agreement reflecting a number of agreed-upon amendments to the Second Amended and Restated Credit Agreement, including the addition of a new revolving credit facility, Facility D, in the amount of $300.0 million, bringing total commitments on the revolving credit facilities (collectively, the “Credit Facility”) up from $500.0 million to $800.0 million. The Credit Facility serves as a liquidity backstop for the repayment of the USCP Notes issued from time to time under the US Commercial Paper Program. See “Description of Material Indebtedness – Credit Facility”.

4.5 Fiscal 2020 Developments

Distribution Centre Expansion
The expansion of the Corporation’s Montreal-area distribution centre, announced in March 2018, was completed on time and on budget at the end of the calendar year 2019. Following this expansion, the distribution centre now has approximately 500,000 square feet. See “Business of the Corporation – Warehousing and Distribution”.

Acquisition of a 50.1% interest in Dollarcity
On August 14, 2019, the Corporation acquired, through Dollarama International, a 50.1% interest in Latin American value retailer Dollarcity. This acquisition resulted in the creation of a second growth platform for the Corporation in complement to its Canadian growth strategy. See “Business of the Corporation – Dollarcity”.

2019-2020 Normal Course Issuer Bid
On July 3, 2019, the Corporation renewed its normal course issuer bid to purchase for cancellation up to 15,737,468 common shares (representing 5.0% of the common shares issued and outstanding as at July 2, 2019) during the 12-month period from July 5, 2019 to July 4, 2020 (the “2019-2020 NCIB”).

The Corporation purchased for cancellation a total of 7,089,040 common shares under the 2019-2020 NCIB, at a weighted average price of $46.15 per common share, for a total cash consideration of $327.2 million. See “Description of Capital Structure – Normal Course Issuer Bid”.

Amendments to the Credit Agreement
On June 14, 2019, the Corporation and the lenders entered into an amending agreement to the Second Amended and Restated Credit Agreement pursuant to which, among other things, the term of each facility was extended by one year so that the term of Facility A was set to expire on September 27, 2024, and the terms of Facility B and Facility C were set to expire on September 29, 2021. The other changes pertained to

the coming into effect of IFRS 16 and the adjustment of certain thresholds and ratios to reflect market terms. See “Description of Material Indebtedness – Credit Facility”.

Dividend Increase
On March 28, 2019, the Corporation announced that the Board of Directors had approved a 10.0% increase of the quarterly dividend for holders of its common shares, to $0.044 per common share.

Adoption of IFRS 16
On February 4, 2019, the Corporation adopted the lease accounting standard IFRS 16, “Leases”, in replacement of IAS 17, “Leases”. The new standard requires lessees to recognize a lease liability reflecting future lease payments and a “right-of-use asset” for virtually all lease contracts, and record it on the statement of financial position, except with respect to lease contracts that meet limited exception criteria. Given that the Corporation had significant contractual obligations in the form of operating leases under IAS 17, the adoption of IFRS 16 resulted in a material increase to both assets and liabilities, and changes to the timing of recognition of expenses associated with lease arrangements. IFRS 16 was applied to the consolidated financial statements for Fiscal 2020 using the full retrospective approach and the Corporation therefore restated comparative information for Fiscal 2019 and its opening balance sheet dated January 29, 2018, as if IFRS 16 had always been in effect.

5 BUSINESS OF THE CORPORATION

5.1 Industry Overview

Value retail is a well-established and growing segment of the overall Canadian retail industry. Canadian consumer demand for value-oriented merchandise has grown substantially over the last decades, as evidenced by the increase in the number of mass merchants, smaller value-priced chains, warehouse/club stores, discount food stores, close-out retailers and dollar stores. Management believes that the value retail segment will remain strong as consumers look for convenience, proximity and affordable, everyday goods.

The value retail segment in which Dollarama operates is generally differentiated from that of other retailers by one or more of the following: (i) low fixed price points; (ii) convenient store size and locations; (iii) broad offerings of branded and unbranded merchandise, including a broad assortment of everyday essentials and seasonal items; (iv) small or individual sized product quantities; and (v) no-frills, self-service environment.

Merchandise offered generally includes essential items in the following categories – home cleaning products, personal care products, cosmetics, over-the-counter pharmaceutical products, food, beverages, snacks, confectionery, pet food and pet accessories – as well as household wares, kitchenware, glassware, tableware, linens and towels, storage containers and accessories, home decor products and seasonal ornaments, books, stationery, greeting cards, giftware, party supplies, toys and games, arts and crafts materials, electronics, souvenirs, novelties, jewelry, clothing, footwear, headwear, costumes, hardware, garden tools, artificial flowers and other general merchandise.

The value retail segment in which Dollarama operates is also differentiated from the U.S. value retail segment, which relies more heavily on the sale of consumable products, including refrigerated goods.

5.2 Business Overview

The Corporation operated 1,421 stores in Canada as at January 30, 2022, including 65 net new stores opened during the most recently completed fiscal year, and the Corporation is focused on expanding its retail operations within the Canadian market towards a long-term store target of approximately 2,000 stores by 2031.

In Canada, the Corporation's strategy is to grow overall sales and comparable store sales, EBITDA and cash flows by offering a compelling value proposition on a wide variety of merchandise to a broad base of customers.

Management believes that Dollarama's strong position in the Canadian value retail industry is attributable to a number of operational advantages that will further contribute to future growth, including:

- the number, location and penetration of stores in new and existing markets, which increase brand recognition, generate word-of-mouth advertising and drive customer traffic;
- the core offering of consistently available products at compelling value, including a broad assortment of everyday necessities which underpinned Dollarama's status as an essential business throughout the COVID-19 pandemic;
- the multi-price point strategy, which allows the Corporation to provide customers with a broad assortment of products at compelling value and to selectively adjust the selling price on certain items to address cost increases;
- the store size and consistent store format, which allows for an effective display of the broad assortment of merchandise and an efficient shopping experience for customers;
- the strong and long-standing vendor network, which enables the Corporation to update and diversify its product selection and rapidly respond to customers' changing needs, and to weather major disruptions;
- the volume of goods directly sourced from low-cost foreign vendors, which allows the Corporation to deliver a strong customer value proposition at attractive margins;

- the in-house product development expertise;
- the size, scale and efficiencies of warehousing and distribution operations;
- key technology-driven initiatives which enable the Corporation to be in a better in-stock position, to optimize in-store labour productivity, warehousing capacity and logistics efficiencies, and to generally maintain a streamlined cost structure as the business continues to grow; and
- the online offering of select products, which provides customers with the opportunity to purchase certain items in large quantities and have them delivered across Canada, an option that attracted a broader customer base in the context of the pandemic.

5.3 Stores

Store Locations and Site Selection
As at January 30, 2022, the Corporation operated 1,421 stores across Canada as detailed below.

Province / Territory	# Stores
Alberta	147
British Columbia	119
Manitoba	42
New Brunswick	44
Newfoundland and Labrador	25
Nova Scotia	41

Province / Territory	# Stores
Ontario	565
Prince Edward Island	5
Québec	391
Saskatchewan	41
Yukon	1

The Corporation carefully selects its real estate locations with the goal of maximizing chain-wide store profitability and maintaining a disciplined, cost-sensitive approach to store site selection.

Potential store locations are evaluated by management based on a variety of criteria, including (i) the level of retail activity and traffic patterns; (ii) the presence or absence of competitors; (iii) the population and demographics of the area; (iv) the total rent and occupancy costs per square foot; and (v) the location of existing Dollarama stores.

The Corporation opens stores in metropolitan areas, mid-sized cities and small towns. Management believes that stores attract customers from a relatively small shopping radius, which allows the Corporation to profitably operate multiple stores in all markets across Canada and to continue to profitably open stores in Ontario, where the store count is the highest, and in areas where the store density is the highest, such as in Québec and the Maritimes. Management also believes that the close proximity of stores to customers drives customer loyalty and frequency of visits. New store openings are dependent upon, among other factors, management's ability to locate suitable sites and negotiate favourable lease terms.

Store Leases
All of the Corporation's stores are leased from unaffiliated third parties, except for one store that is owned by the Corporation and 19 stores that are leased from entities controlled by the Rossy family (see "Interest of Management and Others in Material Transactions"). Management expects to continue to lease locations as the store network expands.

The Corporation typically enters into leases with base terms of ten years and options to renew for one or more periods of five years each. The average time to expiration of the Corporation's leases was approximately 4.7 years based on management's estimates as of January 30, 2022. As leases expire, management believes that it will be able to either obtain lease renewals as desired or obtain new leases for equivalent or better locations in the same general area. To date, the Corporation has not experienced difficulty in either renewing leases for existing locations or securing suitable leases for new stores. Management believes that this leasing strategy enhances flexibility to pursue various expansion and relocation opportunities resulting from changing market conditions.

Store Relocations, Expansions and Closures
Stores are relocated from time to time, often within the same mall or complex, or are expanded, based on availability of real estate, to improve store performance or to capture other opportunities. An average of

approximately $10.6 million was spent annually on the relocation or expansion of stores over the last five fiscal years. Store relocations decided by management are not considered store closures. Store closures are generally attributable to mall renovations, property redevelopment, natural disasters or expiry of the lease.

During Fiscal 2022, one store was closed upon expiry of the lease and a total of 14,512 square feet were added to the store network as a result of expansion projects completed in 8 stores.

Store Size and Condition
Dollarama offers a well-designed, convenient and consistent store format, which makes it an attractive alternative to large discount and other large-box retail stores. The average store size has increased over the years from 5,272 square feet in 1998 to 10,381 square feet as at January 30, 2022 (of which between 80% and 85% is available selling square footage). Stores are clean and well stocked with a broad assortment of consumable products, general merchandise and seasonal items.

Store Capital Expenditures
The Corporation's expansion model in Canada is characterized by a low capital investment to open stores, a rapid sales increase after opening, consistent sales volumes and low ongoing operating costs (including low maintenance capital expenditure requirements), which together result in an attractive return on investment.

A new Dollarama store requires an initial investment of approximately $0.65 million for capital expenditures and for inventory, net of tenant allowance. Stores generally reach over $2.6 million in annual sales within the first two years of operation and achieve an average capital payback period of approximately two years. The model has been effective in both rural and small communities as well as in more densely populated and metropolitan areas that typically include a larger number of competitors.

Management believes that the current store network is in good condition and does not require material maintenance capital expenditures. An average of approximately $13.2 million was spent annually on the maintenance of the Corporation's stores over the last five fiscal years.

Transformational capital projects in stores over the last five fiscal years include the following: (i) the roll-out of cameras in more than 1,000 stores to reduce shrinkage caused by theft; (ii) the redesign of the layout of certain stores to improve traffic flow at checkout and optimize merchandising space; (iii) the installation of LED lighting in stores to improve energy efficiency; (iv) the installation of centralized energy management systems for HVAC optimization; and (v) the roll-out of self-checkout terminals in high-traffic stores to accelerate the checkout process.

Store Operations
After having invested heavily in the past few years in its information technology infrastructure in stores, the Corporation is leveraging this platform, including through the development of mobile applications, in order to improve operational control and standardization of processes across the chain, labour productivity, employee training, loss prevention and reporting.

From the outset of the COVID-19 pandemic, Dollarama was included on provincial lists of essential businesses across Canada, allowing for mostly uninterrupted store operations albeit under challenging conditions. In response to the pandemic, the Corporation implemented wide-ranging measures to sustain store operations, with a focus on supporting employees and promoting the health and safety of employees and customers.

5.4 Digital Initiatives

Even though Dollarama's model remains firmly rooted in brick-and-mortar operations, the Corporation is experimenting with e-commerce on a few fronts.

Online Store
On January 21, 2019, the Corporation launched its online store to provide additional convenience to Dollarama customers – individuals and businesses alike – who wish to buy products in large quantities that

may not be available in-store. Select products from the broader consumable, general merchandise and seasonal offering are available for purchase through the online store by the full case, for delivery across Canada.

While the Corporation is developing a niche in the online shopping market, this is not expected to become a new business segment in the short or medium term. The objective of the online store is to service the needs of a specific category of customers looking to buy products in large quantities, a previously unmet customer need. Despite the acceleration of online sales experienced by the Corporation during the COVID-19 pandemic, which allowed it to further develop its e-commerce capabilities, those sales – which are by the case only – remain non-material to the Corporation's overall sales.

Mobile Application
On November 16, 2020, the Corporation launched a mobile application, allowing customers to pay in-store, to purchase or redeem e-gift cards, to scan products to verify pricing and online availability, and to search for store locations and operating hours.

Strategic Partnerships
The Corporation considers partnerships, targeted initiatives, concept testing and pilots to enhance the service model and the customer experience, to stimulate sales and to stay abreast of consumer and industry trends.

For example, in July 2021, the Corporation launched a pilot with Instacart in more than 200 stores located in the Greater Toronto Area to test the potential market of same-day delivery from stores to customer homes, becoming Instacart's first value retail partner in Canada.

5.5 Merchandise

Merchandise Mix
Dollarama offers a well-balanced targeted mix of merchandise at compelling values, including private label and nationally branded products. The merchandise mix consists of:

- General merchandise, which represented approximately 42% of the product offering in Fiscal 2022 (based on retail value, same as the previous fiscal year), including party supplies, office supplies, arts and craft supplies, greeting cards and stationery, giftware, household wares, kitchenware, glassware, hardware, electronics, toys and apparel;
- Consumable products, which represented approximately 43% of the product offering in Fiscal 2022 (based on retail value, compared to 44% in the previous fiscal year), including household consumables such as paper, plastics, foils, cleaning supplies, basic health and beauty care products, pet food, confectionery, drinks, snacks and other food products; and
- Seasonal items, which represented approximately 15% of the product offering in Fiscal 2022 (based on retail value, compared to 14% in the previous fiscal year), including Valentine's day, St. Patrick's day, Easter, Halloween and the winter holidays merchandise, along with seasonal summer and winter merchandise.

Stores carry a broad assortment of actively-managed stock keeping units ("SKUs", each a unique number used to identify a specific product). In Fiscal 2022, the assortment was comprised of more than 4,600 active year-round SKUs and a number of active seasonal SKUs at any one time. The selection of items offered in stores at any one time varies, and Dollarama consistently refreshes its product offering. The refresh target remains in the range of 25% to 30% of SKUs on an annual basis but the actual percentage was lower in Fiscal 2022 as a result of consequential effects of the COVID-19 pandemic, including travel restrictions, supply chain disruptions, and a general reduction in product innovation and diversification in global manufacturing. Dollarama constantly adjusts the merchandise mix to offer a compelling value and a wide selection of products to its customers, as well as to optimize sales and maintain gross margins. See the "Risks and Uncertainties" section of the Corporation's Fiscal 2022 MD&A (Risks Related to Business Operations – Merchandise Selection and Replenishment).

Merchandise Sourcing
The Corporation's sourcing strategy blends directly imported merchandise from overseas, mainly from China but overall from over 25 different countries, and products sourced from North American vendors. Those two categories accounted for 57% and 43%, respectively, of total volume (based on retail value) in Fiscal 2022.

Dollarama began developing direct relationships with overseas vendors in 1993. From the onset, importing directly from overseas vendors was viewed as an opportunity to gain competitive advantage on two main fronts: (i) offering products that were differentiated and more compelling, and (ii) building a low-cost platform that would give a sustainable long-term economic advantage. By dealing directly with vendors, the Corporation develops product design, packaging and labelling concepts for private label brands, minimizes markups and overhead costs typically associated with intermediaries and importers and increases its bargaining power. This sourcing strategy also provides some flexibility to help mitigate inflation and currency fluctuations. Furthermore, it provides the Corporation with more visibility and control over safety and quality monitoring.

The Corporation's vendor base is well diversified, with the largest vendor accounting for only approximately 4% of total purchases in Fiscal 2022. For the same period, the top ten vendors represented approximately 26% of total purchases and the top 25 vendors represented approximately 43% of total purchases.

The Corporation generally buys products on an order-by-order basis and does not enter into long-term purchase contracts or arrangements. When it does exceptionally enter into purchase contracts, it is to benefit from fixed prices over a specific term and not to be bound by minimum volume commitments. The Corporation benefits from strong and long-standing relationships with vendors, which, combined with the purchasing scale and direct sourcing capabilities, contribute to the Corporation's competitive cost position and ability to offer a wide selection of products at attractive, low-entry price points. See the "Risks and Uncertainties" section of the Corporation's Fiscal 2022 MD&A (Risks Related to Business Operations – Imports and Supply Chain).

Over the years, Dollarama has built a network of preferred and trusted vendors that meet high quality standards. The Corporation only engages with reputable vendors holding the required certifications and meeting all Canadian federal and, where applicable, provincial consumer product regulations and guidelines for any given product as well as Dollarama's own specifications, which may exceed regulatory requirements. While all products must meet Canadian regulations and Dollarama's specifications and standards, certain product categories carry higher risks in the event of non-compliance, as they may present health or safety-related hazards. In line with Dollarama's risk-based approach to managing product compliance, compliance programs and monitoring procedures have been tailored for specific categories such as toys and other children's products, batteries and electronics, certain health and beauty products and accessories, food, medical devices, over-the-counter drugs and natural health products. All product categories are reviewed on a continual basis and in line with evolving product regulations and frameworks to build or enhance existing tailored compliance programs where relevant.

When they become Dollarama vendors, vendors must also undertake to adhere to Dollarama's Vendor Code of Conduct, a key component of its environmental, social and governance (ESG) strategy. Vendors are expected to meet the standards of their industry, including the OECD Guidelines for Multinational Enterprises, and comply with all laws and regulations that govern their activities in the country in which they operate. This includes an obligation on vendors' part to evaluate and uphold the integrity of their respective supply chains, and to ensure that their contractors, authorized subcontractors, service providers, and any other entity that directly or indirectly provides goods or services that are used in the production of products sold to Dollarama likewise operate in accordance with the standards articulated in the Vendor Code of Conduct.

Standards of engagement include specific expectations regarding (i) the quality and safety of the products sold to Dollarama, (ii) vendor workplace standards, as well as (iii) vendor business and environmental practices. These expectations are consistent with Dollarama's values, principles and policies regarding ethical business conduct and are used to assess new and existing suppliers and their facilities. More information on Dollarama's responsible sourcing practices can be found in its most recent ESG report, available for information purposes only on the Corporation's website at www.dollarama.com

5.6 Warehousing and Distribution

The Corporation's warehousing, distribution and logistics operations are located in the Montreal area, and this centralization is driven by the fact that more than 75% of stores are currently located in Ontario, Québec and the Maritimes.

The tables below describe warehousing and distribution facilities, which consisted of six warehouses and one distribution centre, as at January 30, 2022.

Warehouses	Size
Dorval, Québec	269,950 sq. ft
Lachine, Québec	356,675 sq. ft
Lachine, Québec	499,708 sq. ft
Town of Mount Royal, Québec	128,838 sq. ft
Town of Mount Royal, Québec	325,000 sq. ft
Town of Mount Royal, Québec	88,059 sq. ft
	1,668,230 sq. ft

Distribution Centre	Size
Town of Mount Royal, Québec	*495,686 sq. ft

*Excluding the mezzanine

Warehousing

The Corporation's approximately 500,000-square foot warehouse in Lachine, Québec, built in 2016, is owned by the Corporation. The other five warehouses used by the Corporation are leased from entities controlled by the Rossy family pursuant to long-term lease agreements entered into before the initial public offering and expiring on November 30, 2024. See "Interest of Management and Others in Material Transactions".

During Fiscal 2022, the Corporation entered into a long-term lease for a seventh warehouse, located in Laval, Quebec, to increase its warehousing capacity in support of its long-term target of 2,000 stores in Canada by 2031. The new 500,000 square foot built-to-suit facility is currently under construction and is expected to be operational by the end of Fiscal 2023.

The Corporation primarily uses its warehouses to store goods directly imported from overseas, and therefore warehouses approximately 62% of its merchandise. Most goods sourced from North American vendors are delivered directly to the distribution centre or, in some cases, directly to stores. The Corporation distributes approximately 92% of its merchandise through the distribution centre. The remaining 8% of its merchandise, which includes among other things greeting cards, chips and soft drinks, is shipped directly to stores by vendors. Orders placed through the online store are processed, assembled and shipped from one of the warehouses operated by the Corporation.

Distribution

The Corporation's distribution centre is located in the Town of Mount Royal, Québec. The Corporation acquired the distribution centre, which was previously leased from an entity controlled by the Rossy family, on February 21, 2018 for $39.4 million. Such acquisition, made at fair market value, followed the purchase by the Corporation of two adjacent properties for an aggregate amount of $23.2 million.

Following these acquisitions, the Corporation increased the size of its distribution centre by 50%, to approximately 500,000 square feet. The project was completed in December 2019, the whole on time and on budget.

5.7 Transportation

The Corporation must constantly replenish depleted inventory through deliveries of merchandise to the distribution centre, and from the distribution centre to stores. Such process includes various means of transportation, including shipments by sea, mainly from Asia to the port of Vancouver, by train, from Vancouver to Montreal and back, and by truck, to stores located in all ten provinces and in the Yukon.

The Corporation does not have its own transportation fleet and works in collaboration with third-party carriers and freight forwarders to move products as efficiently as possible, including through enhanced merchandise consolidation, cube optimization and fuel saving route-optimization initiatives and by increasing the amount of merchandise moved via rail instead of road.

Changing dynamics in the ocean shipping industry, exacerbated by the COVID-19 pandemic, are impacting capacity, lead times and rates. Once the goods are in Canada, port congestion, extreme weather and truck driver shortage may also impact the flow of goods. See the “Risks and Uncertainties” section of the Corporation’s Fiscal 2022 MD&A (Risks Related to Business Operations – Imports and Supply Chain).

5.8 Employees

Following Fiscal 2022, Dollarama’s store employee count was approximately 23,350. This number is only slightly higher than last year’s count despite the opening of 65 net new stores because the count from the prior year included a number of employees on leave in the context of the COVID-19 pandemic. Of these store employees, approximately 36% are full-time employees and 64% are part-time or occasional employees. Dollarama hires seasonal employees during busy seasons such as the winter holidays to better address peak periods.

Dollarama also employs over 620 head office and field management employees and over 220 warehouse and distribution centre employees, for a total of over 24,190 employees.

The majority of warehouse and distribution centre staffing needs are outsourced to well-established third-party agencies. Those employment opportunities only represent between 4% and 7% of the Corporation’s total workforce, depending on volume and seasonality. As employers, the agencies are responsible, among other things, to hire and to train workers.

None of Dollarama’s employees is a party to a collective bargaining agreement or represented by a labour union. See the “Risks and Uncertainties” section of the Corporation’s Fiscal 2022 MD&A (Human Resources Risks – Recruitment, Retention and Management of Quality Employees).

5.9 Customers

Dollarama customers seek value and convenience and the product offering appeals to all demographics and income ranges. Customers shop at Dollarama to fulfill various levels of basic needs, either as a stand-alone shopping destination or for impulse purchases. Moreover, with Dollarama’s online store, the Corporation is now able to serve Canadian customers seeking to buy large quantities of select items.

5.10 Marketing

The Corporation has generated rapid growth without significant expenditures on marketing and promotions. Management believes that this is primarily due to the strong brand name and success at selecting store locations with high traffic and ease of accessibility. Given the everyday fixed low price points model, there are generally no sales or markdowns to advertise. Advertising is employed almost exclusively for new store openings, using a selection of media which may include radio, local newspapers and circulars.

5.11 Competition

The Canadian dollar store industry remains highly fragmented with many privately-owned multi-outlet chains as well as independently-operated dollar stores. In addition to Dollarama, the largest multi-outlet dollar store chains include Dollar Tree Canada, Dollar Store With More, Great Canadian Dollar Store and Buck or Two Plus!, all of which are franchise operations except Dollar Tree Canada. These four pure play competitors operated a total of 514 stores as at January 30, 2022.

In Canada, in addition to the competition from other dollar stores, the Corporation faces competition to an even greater extent from variety and discount stores, convenience stores and mass merchants, many of which operate stores in the areas where Dollarama operates, offer products substantially similar to those offered by Dollarama and engage in extensive advertising and marketing efforts.

Moreover, as a result of Dollarama's broad product offering, the Corporation faces competition from various speciality retailers, including in the stationery, hardware, household ware, health and beauty, and arts and crafts categories, whose product offerings overlap with a subset of Dollarama's product offering.

Management monitors competition from all sources, including online, to ensure that the Corporation's product offering, in terms of variety, quality and pricing, remains compelling for consumers. Although the Corporation faces increased competition from the use of mobile and web-based technology that facilitates online shopping and real-time product and price comparisons, the current online competition has not posed a significant threat to the Corporation's business to date, as the business model is premised on proximity and convenience. The Corporation continues to monitor this evolving retail trend and to explore new initiatives to address consumers' changing needs and preferences, especially in light of the exponential surge in e-commerce worldwide triggered by the COVID-19 pandemic. The Corporation's online store, offering select products by the full case, is one example of these initiatives. Launched in January 2019, it provides additional convenience to the Corporation's Canadian customers – individuals and businesses alike – who wish to buy products in large quantities that may not be available in-store, a previously unmet customer need. E-commerce capabilities were further developed in 2020 as the demand for products offered online by Dollarama increased significantly.

Additionally, the Corporation competes with a number of companies for prime retail site locations and for the recruitment of employees. See the "Risks and Uncertainties" section of the Corporation's Fiscal 2022 MD&A (Market Risks – Retail Competition).

5.12 Seasonality

The Corporation's business has limited sales seasonality. Historically, the Corporation's lowest sales results have occurred during the first quarter whereas the highest sales results have occurred during the fourth quarter, with December representing the highest proportion of sales. Consequently, the Corporation generally purchases substantial amounts of inventory in the third quarter and incurs higher shipping and payroll costs in anticipation of the increased sales activity during the fourth quarter. Also, it carries merchandise during the fourth quarter that it does not carry during the rest of the year, such as gift sets, holiday decorations, certain baking items, and a broader assortment of toys and candy.

The quarterly results can also be affected by the timing of new store openings, the volume of sales contributed by new and existing stores, the timing of certain holidays and weather conditions. Furthermore, they can be affected by any event beyond the Corporation's control and causing disruption in its business activities or operations during a peak season.

The following table reflects the seasonality of sales and gross margin for each quarter of Fiscal 2022.

Fiscal 2022 *(in % of total)*	**1st Quarter**	**2nd Quarter**	**3rd Quarter**	**4th Quarter**
Sales	22.0%	23.8%	25.9%	28.3%
Gross Margin	21.2%	23.5%	26.2%	29.1%

5.13 Intellectual Property

The Corporation relies on a portfolio of trademarks, the vast majority of which are registered trademarks, to protect certain aspects of its business. Trademarks are divided into two main categories: the corporate trademarks under which the Corporation conducts its retail operations and the product trademarks under which private label lines of products are presented. See the "Risks and Uncertainties" section of the Corporation's Fiscal 2022 MD&A (Risks Related to Business Operations – Intellectual Property).

5.14 Regulatory Matters

The Corporation is subject to many laws and regulations, including without limitation with respect to permits and licenses, product labelling, product safety, consumer protection, employment matters and environmental levies.

The Corporation works closely with Health Canada, the Canadian Food Inspection Agency, Environment and Climate Change Canada and other federal and provincial regulatory authorities to monitor the compliance of its products and operations with all prescribed standards and regulations.

The Corporation strives to use best practices for the storage, physical safety and distribution of products and, when required, for the disposal of recalled products, and has adopted corresponding safety guidelines and recall procedures. In addition, the Corporation carries liability insurance to mitigate potential product liability claims. See the "Risks and Uncertainties" section of the Corporation's Fiscal 2022 MD&A (Legal and Regulatory Risks).

5.15 Information Security Management and Risk Oversight

The Corporation depends on its information technology systems for the efficient functioning of its business, including financial reporting and accounting, purchasing, inventory management and replenishment, labour forecasting and scheduling, payroll processing, data storage, customer transactions processing and store communications.

Enterprise-wide software solutions enable management to efficiently conduct operations, and gather, analyze and assess information across all business functions and geographic locations. The information technology architecture is built to be resilient, relying on redundant material components to prevent material failures, redundant telecommunication links to prevent communication failures, and a synchronous disaster recovery site to provide service continuity in the event of a server room disaster.

The Corporation has dedicated information technology and information security resources, and utilizes third-party technology products and services to help protect the Corporation's systems and infrastructure as well as the data privacy of employees, customers, business partners, vendors and other third parties. The information security team identifies risks, develops policies, procedures and controls, and deploys preventative and detective systems with the assistance of specialized third-party partners. Security awareness training is also provided to employees, including through simulated phishing exercises, and tabletop cybersecurity simulations are conducted by subject matter experts with members of management and technical teams on a regular basis.

The Corporation has an Information Security Committee chaired by the Chief Information Officer and comprised of representatives from various functions of the organization, including information technology, finance, and legal affairs. This committee meets at least quarterly to review progress made on the Corporation's information security roadmap as well as major developments. The Chief Information Officer delivers regular reports to the Audit Committee.

5.16 Environmental, Social and Governance Matters

Governance
The Board of Directors of the Corporation is the ultimate steward of environmental, social and governance ("ESG") matters. The oversight of ESG risks and opportunities was formally embedded in the Board of Directors' mandate and in each of its committee charters in 2021.

The Management Committee, chaired by the President and Chief Executive Officer, is responsible for the development and implementation of ESG strategies in alignment with business priorities and which take into the interests of the Corporation's stakeholders. The Management Committee is also responsible for reporting to the Board of Directors and its committees on ESG risks and opportunities.

Both management and the Board of Directors engage proactively with stakeholders on an ongoing basis to better understand their expectations regarding ESG matters.

Disclosure
In June 2019, the Corporation published its first ESG report to provide shareholders and stakeholders with increased visibility on the Corporation's ESG-related initiatives, challenges and priorities. In June 2021, the

Corporation published its second ESG report providing shareholders and stakeholders with an update on its progress since 2019, outlining ongoing and new, measurable ESG-related goals and initiatives.

Dollarama's approach to ESG matters is based on four pillars, and key priority issues are the following:

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

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

- Responsible sourcing
- Fair labour practices
- Human rights

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

The 2021 ESG report constitutes a comprehensive overview of the Corporation's ESG framework and the priority issues relevant to its business and stakeholders. Both reports are available for information purposes only on the Corporation's website at www.dollarama.com.

5.17 Dollarcity

On August 14, 2019, the Corporation acquired, through Dollarama International, a 50.1% interest in Dollarcity, an independently-owned and operated value retailer founded in 2009 and headquartered in Panama, thereby establishing a second growth platform in Latin America. Dollarcity is treated as an equity investee, and the Corporation is accounting for this investment as a joint arrangement using the equity method. See "Corporate Structure – Intercorporate Relationships".

This decision to acquire a majority interest in Dollarcity was made six years after entering into a commercial relationship with Dollarcity pursuant to which the Corporation agreed, through Dollarama International, to share its business expertise and to provide sourcing services for the future expansion of Dollarcity's activities in agreed upon territories, namely El Salvador, Guatemala, Honduras, Costa Rica, Nicaragua, Panama, Colombia, Peru and Ecuador.

Over the period from February 2013, date of inception of the commercial relationship between the parties, to August 2019, date of closing of the acquisition, the management team of Dollarcity was successful in adapting locally the value retail concept developed by Dollarama in Canada and was able to grow its store network in Central and South America.

As at December 31, 2021, the end date of Dollarcity's fiscal year, Dollarcity operated a total of 350 stores, including 59 in El Salvador, 76 in Guatemala, 206 in Colombia and 9 in Peru. This represents an increase of 86 to the total of 264 stores operated by Dollarcity as at December 31, 2020. The year 2021 was marked by the entry into a fourth country, Peru. Dollarcity's management is focused on expanding its retail operations towards a long-term target of 600 Dollarcity stores by 2029, a target disclosed in 2019 that does not yet take into consideration the potential of the Peruvian market. Dollarcity stores average 7,237 square feet and all but four stores are leased. A new Dollarcity store requires a minimal initial investment of approximately US$0.55 million ($0.69 million).

Dollarama, through Dollarama International, acts as the primary product vendor of Dollarcity. In February 2013, Dollarama International and Dollarcity entered into a licensing and services agreement pursuant to which products were sold to Dollarcity at cost, except for a nominal handling fee charged on shipments transiting through Dollarama's facilities. This agreement expired in February 2022 and was replaced by a new sourcing agreement and a new services agreement. Changes were made to reflect the new relationship between the parties following the 2019 acquisition, but the overall net economic and operational impact of these new agreements for Dollarama International remains generally unchanged.

For its fiscal year ended December 31, 2021, Dollarcity's merchandise mix consisted of: (i) general merchandise, which represented approximately 52% of the product offering; (ii) consumable products, which represented approximately 37% of the product offering; and (iii) seasonal items, which represented approximately 11% of the product offering. Merchandise is sold in individual or multiple units at select, fixed price points up to US$4.00 (or the equivalent in local currency) in El Salvador, Guatemala, Colombia and Peru. Dollarcity generated sales of US$507.8 million ($636.6 million) during its most recently completed fiscal year ended December 31, 2021. The Corporation's 50.1% share of Dollarcity's net earnings for the period from January 1, 2021 to December 31, 2021, was US$26.5 million ($33.2 million). Dollarcity's logistics network relies on several national warehouses in addition to an international warehouse located in a free trade zone in El Salvador.

As at December 31, 2021, Dollarcity's corporate employee count was approximately 480, its store employee count approximately 3,220, and its warehousing and distribution employee count approximately 180, for a total of approximately 3,880 employees.

Management believes that there are significant growth opportunities in the value retail segment in Latin America due to favourable demographics and economic fundamentals in the region. The attractiveness of the retail market is evidenced by the growing presence of global retailers and brands in the area. To date, there is no significant presence of other pure play competitors in the countries where Dollarcity operates. However, Dollarcity faces competition from mass merchants, variety and discount stores, various speciality retailers and street vendors with respect to, among other things, price, product offering and merchandise quality. Dollarcity also competes with a number of companies for prime retail site locations and for the recruitment of employees.

5.18 Risk Factors

The Corporation's risk factors are discussed in the Fiscal 2022 MD&A and are incorporated by reference in this document. The Fiscal 2022 MD&A is available on the Corporation's website (www.dollarama.com) and on SEDAR (www.sedar.com). These risks may not be the only risks the Corporation faces. Other risks of which management is not aware or which are currently deemed to be immaterial may arise and have a material adverse impact on the Corporation, its business, results from operations and financial condition.

6 DESCRIPTION OF CAPITAL STRUCTURE

The authorized capital of the Corporation consists of an unlimited number of common shares and an unlimited number of preferred shares issuable in series. As at January 30, 2022, there were 292,813,569 common shares issued and outstanding and no preferred shares were issued and outstanding.

The summary below of the rights, privileges, restrictions and conditions attaching to the shares of the Corporation is subject to, and qualified by reference to, the Corporation's articles and by-laws, available on the Corporation's website at www.dollarama.com.

6.1 Common Shares

The holders of the common shares are entitled to one vote in respect of each common share held at all meetings of holders of shares, other than meetings at which only the holders of another class or series of shares are entitled to vote separately as a class or series. The holders of the common shares are entitled to receive any dividend declared by the Corporation in respect of the common shares, subject to the rights of the holders of other classes of shares. The holders of the common shares will be entitled to receive, subject to the rights of the holders of other classes of shares, the remaining property and assets of the Corporation available for distribution, after payment of liabilities, upon the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary.

6.2 Preferred Shares

The preferred shares are issuable at any time and from time to time in one or more series. The Board of Directors is authorized to fix, before any issuance, the number of, the consideration per share of, the designation of, and the provisions attaching to, the preferred shares of each series, which may include voting rights, the whole subject to the issuance of a certificate of amendment setting forth the designation and provisions attaching to the preferred shares of the series. The preferred shares of each series will rank on a parity with the preferred shares of every other series and will be entitled to preference over the common shares and any other shares ranking junior to the preferred shares with respect to payment of dividends and distribution of any property or assets in the event of the Corporation's liquidation, dissolution or winding-up, whether voluntary or involuntary. If any cumulative dividends (whether or not declared), non-cumulative dividends declared or amounts payable on a return of capital are not paid in full, the preferred shares of all series will participate rateably in accordance with the amounts that would be payable on such preferred shares if all such dividends were declared and paid in full or the sums that would be payable on such shares on the return of capital were paid in full, as the case may be.

6.3 Share Splits

2018 Share Split
On March 29, 2018, the Corporation announced that the Board of Directors had approved a split of its common shares on a three-for-one basis, which was subsequently approved by shareholders at the Corporation's Annual and Special Meeting of Shareholders held on June 7, 2018. On June 19, 2018, shareholders of record at the close of business on June 14, 2018 received two additional common shares for each common share held. Ex-distribution trading in the common shares on a split-adjusted basis commenced on June 20, 2018.

2014 Share Split
On September 11, 2014, the Board of Directors announced that it had approved a share dividend of one common share for each issued and outstanding common share, which had the same effect as a two-for-one share split of the Corporation's outstanding common shares. The Corporation's share dividend was paid on November 17, 2014 to shareholders of record at the close of business on November 10, 2014 and was designated as an "eligible dividend" for Canadian tax purposes. The common shares began trading on a split-adjusted basis on November 18, 2014.

6.4 Normal Course Issuer Bid

On July 5, 2021, the Corporation renewed its normal course issuer bid and launched the 2021-2022 NCIB to repurchase for cancellation, during the 12-month period from July 7, 2021 to July 6, 2022, up to 19,376,824 common shares, representing 7.5% of the public float of the common shares as at the close of markets on June 30, 2021.

As at January 30, 2022, the Corporation had repurchased for cancellation a total of 11,991,389 common shares under the 2021-2022 NCIB, at a weighted average price of $58.89 per common share, for a total cash consideration of $706.2 million.

Since the launch of the Corporation's inaugural normal course issuer bid in June 2012 up until March 31, 2022, the Corporation repurchased for cancellation a total of 170,080,263 common shares, at a weighted average price of $29.61 per common share, for a total cash consideration of $5.0 billion.

NCIB	Period of Coverage	Number of Common Shares Repurchased for Cancellation	Weighted Average Price per Common Share	Value of Common Shares Repurchased for Cancellation
2012-2013	June 15, 2012 to June 14, 2013	15,499,584	$10.06	$155.9 million
2013-2014[(1)]	June 17, 2013 to June 16, 2014	39,988,128	$13.82	$552.8 million
2014-2015	June 17, 2014 to June 16, 2015	14,051,574	$18.91	$265.7 million
2015-2016[(2)]	June 17, 2015 to June 16, 2016	28,685,733	$28.58	$820.0 million
2016-2017	June 17, 2016 to June 16, 2017	17,925,486	$33.59	$602.2 million
2017-2018	June 19, 2017 to June 18, 2018	14,061,366	$47.89	$673.4 million
2018-2019[(3)]	June 20, 2018 to June 19, 2019	12,980,884	$37.88	$491.7 million
2019-2020	July 5, 2019 to July 4, 2020	7,089,040	$46.15	$327.1 million
2020-2021	July 7, 2020 to July 6, 2021	7,807,079	$56.46	$440.8 million
2021-2022	July 7, 2021 to March 31, 2022[(4)]	11,991,389	$58.89	$706.2 million
Total		**170,080,263**	**$29.61**	**$5,036 million**

(1) As amended on January 22, 2014.
(2) As amended successively on December 9, 2015 and March 30, 2016.
(3) As amended on December 5, 2018.
(4) The 2021-2022 NCIB is ongoing and is set to expire on July 6, 2022. Pursuant to the 2021-2022 NCIB, the Corporation is entitled to repurchase for cancellation up to 19,376,824 common shares.

7 DIVIDENDS

On June 9, 2011, the Corporation announced that the Board of Directors had declared the first quarterly dividend in Dollarama's history as a public corporation. The initial quarterly dividend was set at $0.015 per common share and was designated as an "eligible dividend" for Canadian tax purposes. Since 2011, the Board of Directors announced the approval of eleven successive increases of the quarterly dividend. The most recent increase, to $0.0553 per common share, was approved on March 29, 2022.

The Board of Directors determined that this latest level of quarterly dividend is appropriate based on the Corporation's current cash flow, earnings, financial position and other relevant factors. The dividend is expected to remain at this level subject to the Board of Directors' ongoing assessment of the Corporation's future capital requirements, financial performance, liquidity, outlook and other factors that the Board of Directors may deem relevant.

The payment of each quarterly dividend remains subject to the declaration of that dividend by the Board of Directors. The actual amount of each quarterly dividend, as well as each declaration date, record date and payment date are subject to the discretion of the Board of Directors.

The following table sets out the cash dividends declared and paid during Fiscal 2020, Fiscal 2021 and Fiscal 2022.

Date of Declaration	Date of Payment	Amount of Dividend per Common Share
December 5, 2018	February 8, 2019	$0.040
March 27, 2019	May 10, 2019	$0.044
June 12, 2019	August 9, 2019	$0.044
September 11, 2019	November 8, 2019	$0.044
December 3, 2019	February 7, 2020	$0.044
March 31, 2020	May 8, 2020	$0.044
June 9, 2020	August 7, 2020	$0.044
September 1, 2020	November 6, 2020	$0.044
December 8, 2020	February 5, 2021	$0.047
March 30, 2021	May 7, 2021	$0.0503
June 8, 2021	August 6, 2021	$0.0503
September 8, 2021	November 5, 2021	$0.0503
December 7, 2021	February 4, 2022(1)	$0.0503

(1) Dividends are usually paid at the beginning of the quarter following the declaration date. Consequently, the dividend declared in the fourth quarter of Fiscal 2022 was paid at the beginning of the first quarter of Fiscal 2023.

8 DESCRIPTION OF MATERIAL INDEBTEDNESS

The table below summarizes the principal amounts outstanding as at January 30, 2022 under the Credit Facility, the Senior Unsecured Notes and the US Commercial Paper Program, which are described in greater details hereunder.

Type	Maturity	Principal Amount Outstanding
Credit Facility – Facility A	2026-07-06	Nil
Credit Facility – Facility B	2024-07-05	
Credit Facility – Facility C	2024-07-05	
Credit Facility – Facility D	2022-07-06	
2.443% Fixed Rate Notes	2029-07-09	$375.0 million
1.505% Fixed Rate Notes	2027-09-20	$300.0 million
1.871% Fixed Rate Notes	2026-07-08	$375.0 million
3.55% Fixed Rate Notes	2023-11-06	$500.0 million
2.203% Fixed Rate Notes	2022-11-10	$250.0 million
USCP Notes	Maturities may range from overnight to 397 days from the date of issue	$89.4 million
Total		**$1,889.4 million**

8.1 Credit Facility

The Credit Facility currently consists of four separate unsecured revolving credit facilities totalling $800.0 million, made available under the Third Amended and Restated Credit Agreement entered into between the Corporation and the lenders on February 14, 2020, as amended on March 13, 2020, September 21, 2020, March 9, 2021 and July 6, 2021 (the "Credit Agreement").

Under the Credit Agreement, the Corporation may, under certain circumstances and subject to receipt of additional commitments from existing lenders or other eligible institutions, request increases to the Credit Facility up to an aggregate amount, together with all then-existing commitments, of $1.5 billion.

The applicable margin, ranging from 0% to 1.70% per annum, is calculated based on a leverage ratio reported on a quarterly basis to the lenders. The Credit Agreement requires the Corporation to respect a minimum interest coverage ratio and a maximum leverage ratio, each tested quarterly on a consolidated basis. The Corporation has the option to borrow in Canadian or U.S. dollars.

The Credit Facility is guaranteed by Dollarama L.P. and Dollarama GP Inc. (collectively, with the Corporation, the "Credit Parties"). The Credit Agreement contains restrictive covenants that, subject to certain exceptions, limit the ability of the Credit Parties to, among other things, incur, assume, or permit to exist senior ranking indebtedness or liens, engage in mergers, acquisitions, asset sales or sale-leaseback transactions, alter the nature of the business and engage in certain transactions with affiliates. The Credit Agreement also limits the ability of the Corporation, in certain circumstances, to make loans, declare dividends and make payments on, or redeem or repurchase equity interests, including if there exists a default or an event of default thereunder.

8.2 Senior Unsecured Notes

Pursuant to the Trust Indenture (as defined below), the Corporation may issue fixed rate or floating rate senior unsecured notes (the "Senior Unsecured Notes") from time to time. Proceeds from offerings are generally used to reimburse outstanding indebtedness and/or for general corporate purposes.

The 3.55% Fixed Rate Notes and the 2.203% Fixed Rate Notes were issued under a trust indenture between the Corporation and Computershare Trust Company of Canada, as trustee, dated November 5, 2013 and supplemental indentures thereto. The 1.871% Fixed Rate Notes, the 1.505% Fixed Rate Notes and the 2.443% Fixed Rate Notes were issued under a second trust indenture between the Corporation and Computershare Trust Company of Canada, as trustee, dated September 18, 2020 and supplemental indentures thereto, which second indenture contains no material change as compared to the 2013 trust indenture, other than certain changes made to the guarantee provisions, and to align the negative pledge provision and the cross-default provision to those under the Credit Agreement.

The Senior Unsecured Notes are direct unsecured obligations of the Corporation and rank equally and *pari passu* with all other existing and future unsecured and unsubordinated indebtedness of the Corporation. The Senior Unsecured Notes are effectively subordinated to all of the Corporation's existing and future secured indebtedness to the extent of the value of the assets securing such indebtedness. They will rank senior in right of payment to all future obligations of the Corporation that are, by their terms, expressly subordinated in right of payment thereto and equal in right of payment with all existing and future obligations of the Corporation that are not so subordinated.

The Senior Unsecured Notes are solidarily (jointly and severally) guaranteed, on a senior unsecured basis, as to the payment of principal, interest and premium, if any, and of certain other amounts specified in the trust indenture governing them (such indenture, together with the applicable supplemental indentures governing each series of Senior Unsecured Notes, the "Trust Indenture") by certain subsidiaries of the Corporation representing combined EBITDA, when aggregated with the EBITDA of the Corporation (on a non-consolidated basis), of at least 80% of the consolidated EBITDA. As at the date hereof, Dollarama L.P. and Dollarama GP Inc. are the only guarantors. So long as any Senior Unsecured Notes remain outstanding and the Credit Facility is in full force and effect, all of the Corporation's subsidiaries that are guarantors from time to time in respect of indebtedness under the Credit Facility will be guarantors in respect of the Senior Unsecured Notes. If at any time the Credit Agreement is no longer in force and effect, the Corporation's subsidiaries that would have been required to be guarantors in respect of indebtedness under the Credit Agreement according to the applicable test, conditions or set of criteria will constitute guarantors in respect of the Senior Unsecured Notes.

The Corporation may, at its option, at any time and from time to time, make an offer to purchase the Senior Unsecured Notes for cancellation, which may include purchases from or through an investment dealer or a firm holding membership on a recognized stock exchange or by tender, open market purchases, or by private contract, in each case, at any price.

The Corporation may also, at its option, redeem the Fixed Rate Notes, in whole or in part, at any time and from time to time, upon not less than 30 days' and not more than 60 days' notice to the holders of the Fixed Rate Notes to be redeemed, at a redemption price equal to the greater of (a) the Canada Yield Price (as defined in the applicable Trust Indenture) and (b) par, together, in each case, with accrued and unpaid interest, if any, to the date fixed for redemption.

Under each Trust Indenture, if a Change of Control Triggering Event occurs (as defined in the Trust Indentures), the Corporation will be required to make (or arrange for a third party to make) an offer to repurchase all or, at the option of each holder of Senior Unsecured Notes, any part (equal to $1,000 or an integral multiple thereof) of such holder's notes, at a purchase price payable in cash equal to 101% of the outstanding principal amount thereof, plus accrued and unpaid interest, if any, to the date of purchase.

8.3 US Commercial Paper Program

On February 18, 2020, the Corporation announced the establishment of the US Commercial Paper Program. Under the terms of the program, the Corporation may issue, from time to time, USCP Notes, being unsecured commercial paper notes with maturities not in excess of 397 days from their date of issue, on a private placement basis in reliance upon exemptions from registration and prospectus requirements under applicable securities legislation. The aggregate principal amount of USCP Notes that may be outstanding at any one time under the US Commercial Paper Program may not exceed US$500.0 million. The Corporation uses derivative instruments to convert the net proceeds from the issuance of USCP Notes into Canadian dollars, and uses those proceeds for general corporate purposes.

The USCP Notes are direct unsecured obligations of the Corporation and rank equally and *pari passu* with all other existing and future unsecured and unsubordinated indebtedness of the Corporation. The USCP

Notes are effectively subordinated to all of the Corporation's existing and future secured indebtedness to the extent of the value of the assets securing such indebtedness. They will rank senior in right of payment to all future obligations of the Corporation that are, by their terms, expressly subordinated in right of payment thereto and equal in right of payment with all existing and future obligations of the Corporation that are not so subordinated.

The USCP Notes are unconditionally guaranteed by Dollarama L.P. and Dollarama GP Inc., each a wholly-owned subsidiary of the Corporation. The Corporation's Credit Facility serves as a liquidity backstop for the repayment of USCP Notes issued under the US Commercial Paper Program.

9 RATINGS

A credit rating generally provides an indication of the risk that the borrower will not fulfill its full obligations in a timely manner with respect to both interest and principal commitments.

The Corporation's ability to raise financing depends on its ability to access the public and private equity and debt capital markets as well as the bank credit market. Its ability to access such markets and the cost and amount of funding available depend partly on the quality of its credit ratings at the time capital is raised. Investment-grade ratings usually mean that when the Corporation borrows money, it qualifies for lower interest rates than corporations that have ratings below investment-grade. Any rating downgrade could result in adverse consequences for the Corporation's funding capacity or ability to access the capital markets. See the "Risks and Uncertainties" section of the Corporation's Fiscal 2022 MD&A (Financial Risks – Changes in Creditworthiness).

As at March 31, 2022, the Corporation's USCP Notes are rated by Moody's and S&P, and its Senior Unsecured Notes, by DBRS. In addition, the Corporation has long-term issuer ratings provided by DBRS, Moody's and S&P.

The following explanations of the rating categories received for the Corporation's securities and long-term issuer ratings have been published by the applicable rating agencies. The explanations and corresponding rating categories provided below are subject to change by the applicable rating agencies.

Short-Term Debt Securities	Rating Agency	Rating	Rank	Explanation of Rating Category Received
USCP Notes	Moody's	P-2	2 out of 4	¬ Moody's short-term debt ratings vary between P-1 (highest quality) and NP (lowest quality) ¬ A P-2 rating acknowledges a strong ability to repay short-term debt obligations
	S&P (Global scale)	A-2	3 out of 7	¬ S&P's short-term debt ratings vary between A-1+ (highest quality) and D (lowest quality) ¬ An A-2 rating means that the issuer's capacity to meet financial commitments on the obligation is considered satisfactory ¬ Debt securities rated A-2 are somewhat more susceptible to changing circumstances and economic conditions than obligations rated higher
Long-Term Debt Securities	**Rating Agency**	**Rating**	**Rank**	**Explanation of Rating Category Received**
Senior Unsecured Notes	DBRS	BBB	9 out of 26	¬ DBRS' long-term debt ratings vary between AAA (highest quality) to D (lowest quality) ¬ Ratings from AA to C may be modified by a "(high)" or "(low)" designation. The absence of either a "(high)" or "(low)" designation indicates the rating is in the middle of the category ¬ A BBB rating denotes the following: o Adequate credit quality o Capacity for the payment of financial obligations is considered acceptable o May be vulnerable to future events

Long-Term Issuer Ratings	Rating Agency	Rating	Rank	Explanation of Rating Category Received
	DBRS	BBB	9 out of 26	¬ DBRS' long-term issuer ratings vary between AAA (highest quality) to D (lowest quality) ¬ Ratings from AA to C may be modified by a "(high)" or "(low)" designation. The absence of either a "(high)" or "(low)". designation indicates the rating is in the middle of the category ¬ A rating of BBB low or higher is an investment grade rating ¬ A BBB rating denotes the following: o Adequate credit quality o Capacity for the payment of financial obligations is considered acceptable o May be vulnerable to future events
	Moody's	Baa2	9 out of 21	¬ Moody's long-term issuer ratings vary between Aaa (highest quality) and C (lowest quality) ¬ Numerical modifiers 1, 2, and 3 are appended to ratings from Aa through Caa. The modifier 1 indicates a ranking in the higher end of the generic rating category, the modifier 2 indicates a mid-range ranking and the modifier 3 indicates a ranking in the lower end of the generic rating category ¬ A rating of Baa3 or higher is an investment grade rating ¬ A Baa2 rating means that the issuer is subject to moderate credit risk and is considered medium-grade and as such may possess certain speculative characteristics
	S&P (Global Scale)	BBB	9 out of 22	¬ S&P's long-term issuer ratings vary between AAA (highest quality) and D (lowest quality) ¬ Ratings from AA to CC may be modified by a plus "(+)" or minus "(-)" sign to show relative standing within a particular rating category ¬ A rating of BBB- or higher is an investment grade rating ¬ A BBB rating denotes the following: o Adequate capacity to meet financial commitments o Adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments

As at March 31, 2022, the Corporation's credit ratings have stable outlooks from DBRS, Moody's and S&P. The rating trend indicates the direction in which the rating agency considers the rating is headed should present tendencies continue.

These ratings provide investors with an independent measure of the credit quality of an issue of securities. However, there is no assurance that a rating will remain in effect for any given period of time or that a rating will not be lowered, withdrawn or revised by either rating agency if, in its judgment, circumstances so warrant. The rating of any debt securities is not a recommendation to buy, sell or hold such securities, inasmuch as such ratings do not comment as to market price or suitability for a particular investor. Each credit rating should be evaluated independently of any other credit rating.

In the past two years, the Corporation has paid fees to rating agencies to obtain ratings and expects to pay similar fees in the future pursuant to service agreements entered into with such rating agencies. No additional payment was made to ratings agencies for other services provided to the Corporation during the last two fiscal years.

10 MARKET FOR SECURITIES

10.1 Trading Price and Volume

The common shares are listed for trading on the TSX under the symbol “DOL”. The following table shows the monthly range of high, low and closing prices, as well as total monthly volumes traded on the TSX and alternative trading systems for Fiscal 2022.

Calendar Month	Monthly High $	Monthly Low $	Close $	Total Monthly Volume
February 2021	$51.32	$46.56	$48.43	30,248,003
March 2021	$55.93	$48.14	$55.52	31,844,485
April 2021	$58.53	$55.62	$57.28	31,252,374
May 2021	$57.45	$62.22	$52.50	38,556,462
June 2021	$57.84	$52.30	$56.74	30,346,017
July 2021	$59.24	$56.24	$58.75	16,848,158
August 2021	$60.87	$57.31	$57.53	19,334,743
September 2021	$58.52	$54.85	$54.94	32,723,193
October 2021	$57.80	$53.39	$55.94	18,818,439
November 2021	$58.98	$54.83	$55.18	14,085,849
December 2021	$64.49	$54.28	$63.31	26,875,485
January 2022	$64.50	$60.34	$64.39	23,027,971

11 DIRECTORS AND OFFICERS

11.1 Directors

The following table sets out profile information, as at the date hereof, for each director. Directors are elected annually and, unless re-elected, retire from office at the end of the next annual meeting of shareholders.

Name, Province or State and Country of Residence	Position(s) with the Corporation	Director Since	Principal Occupation	Previously Held Positions (Last Five Years)
Stephen Gunn Ontario, Canada	Independent Chairman of the Board of Directors	2009	Corporate Director	Lead Independent Director Dollarama Inc. (from Oct. 2009 to June 2018)
Joshua Bekenstein Massachusetts, USA	Independent Director	2004	Co-Chair Bain Capital Partners, LP	—
Gregory David Ontario, Canada	Director	2004	Chief Executive Officer GRI Capital Inc.	—
Elisa Garcia Florida, USA	Independent Director	2015	Chief Legal Officer Macy's, Inc.	—
Kristin Mugford Massachusetts, USA	Independent Director	2018	Senior Lecturer of Business Administration Harvard Business School	—
Nicholas Nomicos Massachusetts, USA	Independent Director	2004	Senior Advisor Nonantum Capital Partners, LLC	Managing Director Nonantum Capital Partners, LLC (from Apr. 2018 to Dec. 2021)
Neil Rossy Québec, Canada	Director President and Chief Executive Officer	2004	President and Chief Executive Officer Dollarama Inc.	—
Samira Sakhia Québec, Canada	Independent Director	2021	President and Chief Executive Officer Knight Therapeutics Inc.	President and Chief Operating Officer Knight Therapeutics Inc. (from 2016 to 2021)
Huw Thomas, FCPA, FCA Ontario, Canada	Independent Director	2011	Corporate Director	Chief Executive Officer SmartCentres Real Estate Investment Trust (formerly known as Smart Real Estate Investment Trust) (from Jul. 2013 to Jun. 2018)

Composition of the Committees of the Board of Directors

The following table sets out, as at the date hereof, the composition of the committees of the Board of Directors.

Human Resources and Compensation Committee	Audit Committee	Nominating and Governance Committee
Joshua Bekenstein	Kristin Mugford	Elisa Garcia
Elisa Garcia	Nicholas Nomicos	Stephen Gunn (Chair)
Stephen Gunn	Samira Sakhia	Huw Thomas, FCPA, FCA
Kristin Mugford (Chair)	Huw Thomas, FCPA, FCA (Chair)	

11.2 Executive Officers

The following table sets out profile information, as at the date hereof, for each executive officer.

Name, Province or State and Country of Residence	Position(s) with the Corporation	Executive Officer Since	Previously Held Positions (Last Five Years)
Neil Rossy Québec, Canada	President and Chief Executive Officer	2016	—
Jean-Philippe Towner Québec, Canada	Chief Financial Officer	2021	Executive Vice President and Chief Financial Officer Pomerleau Inc. (from 2016 to Feb. 2021)
Johanne Choinière Ontario, Canada	Chief Operating Officer	2014	—
Nicolas Hien Québec, Canada	Chief Information Officer(1)	2021	Senior Vice-President, Project Management and Systems Dollarama Inc. (from 2017 to Feb. 2021) Vice President Project Management and Systems Dollarama Inc. (from 2016 to Sept. 2017)
Geoffrey Robillard Québec, Canada	Senior Vice-President, Import Division	2004	—
Mark Di Pesa Québec, Canada	Senior Vice-President, Human Resources	2021	Senior Vice-President, Human Resources Saputo Inc. (from Apr. 2019 to May 2021) Vice-President, Human Resources Saputo Inc. (from 2013 to Apr. 2019)
Josée Kouri Québec, Canada	Senior Vice-President, Legal Affairs and Corporate Secretary	2020	Vice-President, Legal Affairs and Corporate Secretary Dollarama Inc. (from 2015 to June 2020)
John Assaly Québec, Canada	Vice-President, Global Procurement	2013	—

(1) Since August 14, 2019, Nicolas Hien is also Executive Vice-President of Dollarcity.

As a group, the directors and executive officers of the Corporation beneficially owned, or controlled or directed, directly or indirectly, a total of 12,185,082 common shares, representing approximately 4.16% of the common shares outstanding, on a non-diluted basis, as at March 31, 2022.

11.3 Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the Corporation, no director or executive officer:

(a) is, as at the date of this Annual Information Form, or was, within the 10 years before the date of this Annual Information Form, 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 director or executive officer 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 director or executive officer 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, no director or executive officer, or no shareholder holding a sufficient number of common shares to affect materially the control of the Corporation:

(a) is, as at the date of this Annual Information Form, or has been within the 10 years before the date of this Annual Information Form, 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 Annual Information Form, 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.

To the knowledge of the Corporation, no director or executive officer, or no shareholder holding a sufficient number of common shares to affect materially the control of the Corporation:

(a) has been subject to 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) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

11.4 Conflicts of Interest

To the best of management’s knowledge, other than the real property leases with entities controlled by the Rossy family, there are no known existing or potential material conflicts of interest among the Corporation and its directors, officers or other members of management as a result of their outside business interests, except that certain directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Corporation and their duties as a director or officer of such other companies. See “Directors and Officers” and “Interest of Management and Others in Material Transactions”.

11.5 Indemnification and Insurance

The Corporation currently purchases a total of $120.0 million of directors and officers insurance coverage, including an excess side A difference in conditions (DIC) coverage of $25.0 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.

12 AUDIT COMMITTEE INFORMATION

12.1 Charter of the Audit Committee

The Board of Directors has adopted a written charter (the "Charter of the Audit Committee") setting out the responsibilities of the Audit Committee, which include, among other things, (i) reviewing the financial statements of the Corporation and public disclosure documents containing financial information and reporting on such review to the Board of Directors, (ii) ensuring that adequate procedures are in place for the review of the Corporation's public disclosure documents that contain financial information, (iii) overseeing the work and reviewing the independence of the external auditor and (iv) 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, including risks related to ESG matters, with a focus on operations and supply chain management risks, are identified, assessed, monitored and appropriately managed and mitigated, to approve ESG strategies and opportunities driven by management, to review the Corporation's ESG disclosure, including its ESG report, and to report to the Board of Directors on priorities, challenges and progress.

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, on April 29, 2020 to expressly reflect the committee's information technology risk and cybersecurity oversight responsibility, and on April 20, 2021 to further clarify the scope of the Audit Committee's responsibilities in the stewardship and governance of ESG risks and opportunities. A copy of the Charter of the Audit Committee, as amended, is attached to this Annual Information Form as Appendix A and is available on the Corporation's website at www.dollarama.com.

12.2 Composition of the Audit Committee

As at the date hereof, the Audit Committee is composed of four members, namely Huw Thomas (Chair), Kristin Mugford, Nicholas Nomicos and Samira Sakhia. Each member of the Audit Committee is independent and financially literate within the meaning of *National Instrument 52-110 – Audit Committees* ("NI 52-110").

12.3 Relevant Education and Experience of the Audit Committee Members

Each member of the Audit Committee has (i) an understanding of the accounting principles used by the Corporation to prepare its financial statements, (ii) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions, (iii) experience in the preparation, audit, analysis or evaluation of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements (or experience in actively supervising individuals engaged in same), and (iv) an understanding of the internal controls and procedures necessary for financial reporting.

In addition to each Audit Committee member's general business experience, the education and experience of each Audit Committee member that are relevant to the performance of his or her responsibilities are as follows:

Kristin Mugford **Senior Lecturer** Harvard Business School Director since 2018 Independent	Kristin Mugford is 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 graduated from Harvard Business School as a Baker Scholar and holds an AB with honors in economics from Harvard College.

Nicholas Nomicos **Senior Advisor** Nonantum Capital Partners, LLC Director since 2004 Independent	Nicholas Nomicos is a Senior Advisor at Nonantum Capital Partners, LLC, a middle market private equity firm that he founded with other executives in 2018. He served as its Managing Director from April 2018 to December 2021. Mr. Nomicos is also a director of BRP Inc. and a member of its audit committee, and sits on the boards of two private companies, Christianbook, LLC and Luxury Brand Holdings, dba Ross-Simons, a private multi-channel retailer based in the United States. 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. Mr. Nomicos received a Bachelor of Science in Engineering from Princeton University and a Master of Business Administration (MBA) from Harvard Business School.
Samira Sakhia **President and Chief Executive Officer** Knight Therapeutics Inc. Director since 2021 Independent	Samira Sakhia is the Chief Executive Officer and President as well as a member of the board of directors of Knight Therapeutics Inc. ("Knight"), a leading Canadian specialty pharmaceutical company, which she joined in August 2016 as President and Chief Operating Officer. She served additionally as its Chief Financial Officer from October 2017 to March 2020. Prior to joining Knight, Ms. Sakhia served as the Chief Financial Officer at Paladin Labs Inc., a specialty pharmaceutical company, from 2001 to 2015. Ms. Sakhia serves on the board of the Montreal Society for the Prevention of Cruelty to Animals, the International Advisory Board of McGill's Desautels Faculty of Management, and is a member of the Board of Governors of McGill University and an independent Board member at the McGill University Health Center. Ms. Sakhia holds an MBA, a Bachelor of Commerce and a Graduate Diploma in Accountancy from McGill University.
Huw Thomas **Corporate Director** Director since 2011 Independent	Huw Thomas, FCPA, FCA (Chair), 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. He remained a trustee of SmartCentres REIT until May 2019. 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. Mr. Thomas is also a trustee of Chartwell Retirement Residences, a member of its audit committee and the chair of its compensation, governance and nominating 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.

12.4 Pre-Approval Policies and Procedures

In accordance with the provisions of the Charter of the Audit Committee, the Audit Committee must pre-approve all non-audit services to be provided to the Corporation by its external auditor.

12.5 External Auditor Service Fees

For Fiscal 2022 and Fiscal 2021, the Corporation was billed the following fees by its external auditor, PricewaterhouseCoopers LLP.

Fees	Fiscal 2022	Fiscal 2021
Audit Fees(1)	$910,095	$805,620
Audit-Related Fees(2)	$88,250	$85,680
Tax Fees(3)	$12,162	Nil
All Other Fees(4)	$48,300	$45,000
Total Fees	**$1,058,807**	**$936,300**

(1) "Audit Fees" include fees necessary to perform the annual audit of the consolidated financial statements. This category also includes audit fees related to new accounting standards and required procedures in connection with the offering of senior unsecured notes.

(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". This category includes fees related to specified procedures on internal controls.

(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 advice, tax planning as well as assistance in connection with provincial and federal tax audits conducted in the normal course of business.

(4) "Other Fees" include fees for products and services provided by the external auditor other than those included above. This category includes fees related to translation services.

13 LEGAL PROCEEDINGS AND REGULATORY ACTIONS

From time to time, the Corporation is involved in legal proceedings and regulatory actions of a nature considered normal to its business. Management believes that none of the litigation in which the Corporation is currently involved, or has been involved since the beginning of the most recently completed fiscal year, individually or in the aggregate, is material to its consolidated financial condition or results of operations.

14 INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The Corporation currently leases 19 stores, five warehouses, and its head office from entities controlled by the Rossy family pursuant to long-term lease agreements. See “Business of the Corporation – Warehousing and Distribution”.

As at January 30, 2022, the outstanding balance of lease liabilities owed to entities controlled by the Rossy family totalled $34.7 million. Rental expenses charged by entities controlled by the Rossy family but not included in lease liabilities totalled $6.3 million for Fiscal 2022.

The Board of Directors reviews and approves transactions 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. Prior to the Board of Directors’ consideration of a transaction with a related party, 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. Independent valuations or other advice is provided to the Audit Committee and the Board of Directors, as appropriate. Management believes each of the transactions disclosed herein was made on terms no less favorable to the Corporation than could have been otherwise obtained from unaffiliated third parties.

15 TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the common shares is Computershare Investor Services Inc. at its principal offices in Montreal and Toronto.

16 MATERIAL CONTRACTS

Other than the contracts entered into in the ordinary course of business and the Trust Indentures entered into with Computershare Trust Company of Canada, as trustee, in connection with each offering of Senior Unsecured Notes (copies of which are available on SEDAR at www.sedar.com), there are no material contracts that were entered into by the Corporation during Fiscal 2022 or entered into prior to Fiscal 2022 but which are still in effect. See “Description of Material Indebtedness – Senior Unsecured Notes” for a description of the main terms and conditions of the Trust Indentures.

17 INTERESTS OF EXPERTS

The Corporation’s independent auditors are PricewaterhouseCoopers LLP, Chartered Professional Accountants, who have issued an independent auditor’s report dated March 30, 2022 in respect of the Corporation’s consolidated financial statements and the notes related thereto as at January 30, 2022 and January 31, 2021 and for each of Fiscal 2022 and Fiscal 2021. PricewaterhouseCoopers LLP, Chartered Professional Accountants, has advised that they are independent with respect to the Corporation within the meaning of the *Code of ethics of chartered professional accountants.*

18 ADDITIONAL INFORMATION

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Corporation's securities and securities authorized for issuance under equity compensation plans, is contained in the Corporation's management proxy circular, prepared in connection with the upcoming annual meeting of shareholders of the Corporation to be held on June 8, 2022, which will be available shortly on SEDAR at www.sedar.com and on the Corporation's website at www.dollarama.com. Information regarding corporate governance practices is also contained in the management proxy circular. Additional financial information is provided in the audited consolidated financial statements and management's discussion and analysis of the Corporation for Fiscal 2022, also available on SEDAR at www.sedar.com and on the Corporation's website at www.dollarama.com.

Information on the Corporation's website does not form part of and is not incorporated by reference in this Annual Information Form.

APPENDIX A

CHARTER OF THE AUDIT COMMITTEE
DOLLARAMA INC.

(the “Charter”)

1 PURPOSE

The Audit Committee (the “**Committee**”) is a committee of the Board of Directors (the “**Board**”) of Dollarama Inc. The members of the Committee and the chair of the Committee (the “**Chair**”) are appointed by the Board on an annual basis (or until their successors are duly appointed) for the purpose of:

(1) reviewing and approving financial disclosure documents;

(2) overseeing the Corporation’s financial controls;

(3) monitoring whether the Corporation complies with financial covenants and legal and regulatory requirements governing financial disclosure matters;

(4) overseeing management of the Corporation’s (“**Management**”) responsibility for assessing and reporting on the effectiveness of internal controls;

(5) overseeing the independence, qualifications, appointment and performance of the Corporation’s external auditor;

(6) overseeing the Corporation’s financial risk management; and

(7) overseeing the management of environmental, social and governance (ESG) risks facing the Corporation, approving ESG strategies and opportunities driven by Management and reviewing the Corporation’s ESG disclosure.

2 COMPOSITION

The Committee should be comprised of at least three (3) directors as determined by the Board.

(1) The Committee must be constituted as required under National Instrument 52-110 – Audit Committees, as it may be amended or replaced from time to time (“**NI 52-110**”).

(2) All members of the Committee must (except to the extent permitted by NI 52-110) be independent (as defined by NI 52-110), and free from any relationship that, in the view of the Board, could be reasonably expected to interfere with the exercise of his or her independent judgment as a member of the Committee.

(3) No members of the Committee shall receive, other than for service on the Board or the Committee or other committees of the Board, any consulting, advisory, or other compensatory fee from the Corporation or any of its related parties or subsidiaries.

(4) All members of the Committee must (except to the extent permitted by NI 52-110) be financially literate (which is defined as the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements).

(5) Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee on ceasing to be a director. The Board may fill vacancies on the Committee by election from among the Board. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all powers of the Committee so long as a quorum remains.

3 MEETING REQUIREMENTS

(1) The Committee should meet at least four (4) times annually or more frequently as the circumstances require. The Committee should meet within 45 days following the end of the first three financial quarters of the Corporation and shall meet within 90 days following the end of the fiscal year of the Corporation.

(2) A quorum for the transaction of business at any meeting of the Committee shall be a majority of the members of the Committee or such greater number as the Committee shall by resolution determine. All decisions and recommendations made by the Committee shall be made by a majority vote of the members present at the meeting.

(3) Meetings of the Committee shall be held from time to time and at such place as any member of the Committee shall determine upon 48 hours' notice to each of its members. The members of the Committee may waive the requirement for notice. Each of the Chair of the Board, the Chief Executive Officer, the Chief Financial Officer, the Secretary or the external auditor shall be entitled to request that the Chair call a meeting.

(4) The Committee may meet by telephone conference call or by any other means permitted by law or the Corporation's by-laws.

(5) The Chair shall approve the agenda for the meetings and ensure that supporting materials are properly prepared and circulated to members with sufficient time for study by the Committee members prior to the meeting.

(6) The minutes of the Committee meetings shall accurately record the significant discussions of and decisions made by the Committee, including all recommendations to be made by the Committee to the Board and shall be distributed to the Committee members for approval.

(7) The Committee may ask members of Management and employees of the Corporation (including, for greater certainty, its affiliates and subsidiaries) or others (including the external auditor) to attend meetings and provide such information as the Committee requests. Members of the Committee shall have full access to information of the Corporation (including, for greater certainty, its affiliates, subsidiaries and their respective operations) and shall be permitted to discuss such information and any other matters relating to the results of operations and financial position of the Corporation with Management, employees, the external auditor and others as they consider appropriate.

(8) The Committee or its Chair should meet at least once per year with Management and the external auditor in separate sessions to discuss any matters that the Committee or either of these groups desires to discuss privately. In addition, the Committee or its Chair should meet with the Corporation's Management quarterly in connection with the Corporation's interim financial statements.

(9) The Committee, through its Chair, shall report to the Board on all proceedings and deliberations of the Committee at the first subsequent meeting of the Board, and at such other times and in such manner as the Board may require or as the Committee in its discretion may consider advisable.

4 RESPONSIBILITIES AND DUTIES

As part of its function in assisting the Board in fulfilling its oversight responsibilities (and without limiting the generality of the Committee's role), the Committee will have the power and authority to:

A. Financial Disclosure

(1) Review, approve and recommend for Board approval the Corporation's interim financial statements, including any certification, report, opinion or review rendered by the external auditor and the related Management's Discussion & Analysis and press release.

(2) Review, approve and recommend for Board approval the Corporation's annual financial statements, including any certification, report, opinion or review rendered by the external auditor, the annual information form, and the related Management's Discussion & Analysis and press release.

(3) Review and approve any other press releases that contain financial information and such other financial information of the Corporation provided to the public or any governmental body as the Committee requires.

(4) Satisfy itself that adequate procedures have been put in place by Management for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements and the related Management's Discussion & Analysis.

(5) Review any litigation, claim or other contingency and any regulatory or accounting initiatives that could have a material effect upon the financial position or operating results of the Corporation and the appropriateness of the disclosure thereof in the documents reviewed by the Committee.

(6) Receive periodically Management reports assessing the adequacy and effectiveness of the Corporation's disclosure controls and procedures.

B. Internal Control

(1) Review Management's process to identify and manage the significant risks associated with the activities of the Corporation.

(2) Review the effectiveness of the internal control systems for monitoring compliance with laws and regulations.

(3) Have the authority to communicate directly with the internal auditor.

(4) Receive periodical Management reports assessing the adequacy and effectiveness of the Corporation's internal control systems.

(5) Assess the overall effectiveness of the internal control and risk management frameworks through discussions with Management and the external auditor and assess whether recommendations made by the external auditor have been implemented by Management.

C. Relationship with the External Auditor

(1) Recommend to the Board the selection of the external auditor and the fees and other compensation to be paid to the external auditor.

(2) Have the authority to communicate directly with the external auditor and arrange for the external auditor to be available to the Committee and the Board as needed.

(3) Advise the external auditor that it is required to report to the Committee, and not to Management.

(4) Monitor the relationship between Management and the external auditor, including reviewing any Management letters or other reports of the external auditor, discussing any material differences of opinion between Management and the external auditor and resolving disagreements between the external auditor and Management.

(5) If considered appropriate, establish separate systems of reporting to the Committee by each of management and the external auditor.

(6) Review and discuss on an annual basis with the external auditor all significant relationships they have with the Corporation, Management or employees that might interfere with the independence of the external auditor.

(7) Pre-approve all non-audit services (or delegate such pre-approval, as the Committee may determine and as permitted by applicable securities laws) to be provided by the external auditor.

(8) Review the performance of the external auditor and recommend any discharge of the external auditor when the Committee determines that circumstances warrant.

(9) Periodically consult with the external auditor out of the presence of Management about (a) any significant risks or exposures facing the Corporation, (b) internal controls and other steps that Management has taken to control such risks, and (c) the fullness and accuracy of the financial statements of the Corporation, including the adequacy of internal controls to expose any payments, transactions or procedures that might be deemed illegal or otherwise improper.

(10) Review and approve any proposed hiring of current or former partners or employees of the current (and any former) external auditor of the Corporation.

D. Audit Process

(1) Review the scope, plan and results of the external auditor's audit and reviews, including the auditor's engagement letter, the post-audit management letter, if any, and the form of the audit report. The Committee may authorize the external auditor to perform supplemental reviews, audits or other work as deemed desirable.

(2) Following completion of the annual audit and quarterly reviews, review separately with each of Management and the external auditor any significant changes to planned procedures, any difficulties encountered during the course of the audit and, if applicable, reviews, including any restrictions on the scope of work or access to required information and the cooperation that the external auditor received during the course of the audit and, if applicable, reviews.

(3) Review any significant disagreements among Management and the external auditor in connection with the preparation of the financial statements.

(4) Where there are significant unsettled issues between Management and the external auditor that do not affect the audited financial statements, the Committee shall seek to ensure that there is an agreed course of action leading to the resolution of such matters.

(5) Review with the external auditor and Management significant findings and the extent to which changes or improvements in financial or accounting practices, as approved by the Committee, have been implemented.

(6) Review the system in place to seek to ensure that the financial statements, Management's Discussion & Analysis and other financial information disseminated to regulatory authorities and the public satisfy applicable requirements.

E. Financial Reporting Processes

(1) Review the integrity of the Corporation's financial reporting processes, both internal and external, in consultation with the external auditor.

(2) Periodically consider the need for an internal audit function, if not present.

(3) Review all material balance sheet issues, material contingent obligations and material related party transactions.

(4) Review with Management and the external auditor the Corporation's accounting policies and any changes that are proposed to be made thereto, including all critical accounting policies and practices used, any alternative treatments of financial information that have been discussed with Management, the ramification of their use and the external auditor's preferred treatment and any other material communications with Management with respect thereto. Review the disclosure and impact of contingencies and the reasonableness of the provisions, reserves and estimates that may have a material impact on financial reporting.

F. General

(1) Receive quarterly reports from Management on risks facing the Corporation, including risks related ESG matters, with a focus on operations and supply chain management risks, and assess the adequacy and effectiveness of Management's ability to monitor, manage and mitigate these risks.

(2) Receive quarterly reports from Management on ESG-related opportunities and other issues and assess the appropriateness, both in terms of relevance to the Corporation and timing, for Management to pursue such opportunities.

(3) Review the Corporation's ESG disclosure, including its ESG report, and make recommendations to the Board in that regard.

(4) Oversee the management of significant and emerging information technology (IT) risks, including cybersecurity, and periodically receive reports from management on major IT projects and the implementation and effectiveness of related risk management programs. These reports should include any relevant information to allow the Committee to make informed judgments on trends and significant exposure to IT risks.

(5) Review, approve and recommend for Board approval all related-party transactions, including any renewal thereof.

(6) Inform the Board of matters that may significantly impact on the financial condition or affairs of the business.

(7) Respond to requests by the Board with respect to the functions and activities that the Board requests the Committee to perform.

(8) Periodically review and discuss with the nominating and governance committee of the Board the adequacy of the Committee mandate.

(9) Periodically review this Charter and, if the Committee deems appropriate, recommend to the Board changes to this Charter.

(10) Review the public disclosure regarding the Committee required from time to time by NI 52-110.

(11) Review and discuss, on an annual basis, with the external auditor all significant relationships they have with the Corporation to assess their independence.

(12) The Committee may at its discretion retain independent counsel, accountants and other professionals to assist it in the conduct of its activities and to set and pay (as an expense of the Corporation) the compensation for any such advisors.

(13) Review in advance, and approve, the hiring and appointment of the Corporation's senior financial executives.

(14) Perform any other activities as the Committee or the Board deems necessary or appropriate.

5 COMPLAINTS PROCEDURES

(1) Anyone may submit a complaint regarding conduct by the Corporation or its employees or agents (including its external auditor) reasonably believed to involve questionable accounting, internal accounting controls, auditing or other matters. The Chair of the Committee will have the power and authority to oversee treatment of such complaints.

(2) Complaints are to be directed to the attention of the Chair of the Committee.

(3) The Committee should endeavour to keep the identity of the complainant confidential.

(4) The Chair of the Committee will have the power and authority to lead the review and investigation of a complaint. The Committee should retain a record of all complaints received. Corrective action may be taken when and as warranted.

6 LIMITATIONS ON COMMITTEE'S DUTIES

(1) In contributing to the Committee's discharge of its duties under this Charter, each member of the Committee shall be obliged only to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in this Charter is intended or may be construed as imposing on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which any member of the Board may be otherwise subject.

(2) Members of the Committee are entitled to rely, absent actual knowledge to the contrary, on (i) the integrity of the persons and organizations from whom they receive information, (ii) the accuracy and completeness of the information provided, (iii) representations made by Management as to the non-audit services provided to the Corporation by the external auditor, (iv) financial statements of the Corporation represented to them by a member of Management or in a written report of the external auditor to present fairly the financial position of the Corporation in accordance with applicable generally accepted accounting principles, and (v) any report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by any such person.

(3) The Committee is a committee of the Board and is not and shall not be deemed to be an agent of the Corporation's securityholders for any purpose whatsoever. The Board may, from time to time, permit departures from the terms hereof, either prospectively or retrospectively, and no provision contained herein is intended to give rise to civil liability to securityholders of the Corporation or other liability whatsoever.

Adopted on October 16, 2009, last amended on April 20, 2021