

**REPORT UNDER THE  
*FIGHTING AGAINST FORCED LABOUR AND  
CHILD LABOUR IN SUPPLY CHAINS ACT***

**FOR THE FISCAL YEAR ENDED FEBRUARY 2, 2025**

**APRIL 15, 2025**



## About this Report

This report (the “Report”) is made in accordance with the requirements set forth in the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Supply Chains Act” or the “Act”). This is a joint report in accordance with section 11(2)(b) of the Supply Chains Act, made on behalf of Dollarama Inc. and its subsidiaries<sup>1</sup> which have an obligation to publish a report pursuant to the Act (collectively, for the purposes of this Report, “Dollarama”, the “Corporation”, “we”, “us” or “our”).

Unless otherwise indicated, the information in this Report is presented as at February 2, 2025, the last day of the Corporation’s most recently completed fiscal year. All references to “Fiscal 2025” are to the Corporation’s fiscal year ended February 2, 2025; and to “Fiscal 2026” are to the Corporation’s fiscal year ending February 1, 2026.

This Report contains forward-looking information and should be read in conjunction with the cautionary statement on forward-looking statements in the Corporation’s management’s discussion and analysis for Fiscal 2025 available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and on the Corporation’s website at [www.dollarama.com](http://www.dollarama.com).

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<sup>1</sup> Entities required to publish a report under the Supply Chains Act, and therefore covered by this joint report, are Dollarama Inc., Dollarama L.P. and Dollarama GP Inc. (the general partner of Dollarama L.P.), which are both controlled by Dollarama Inc. Dollarama L.P., acting by its general partner Dollarama GP Inc., operates the chain of Dollarama stores in Canada and performs related logistical and administrative support activities. Through Dollarama International Inc., a wholly-owned subsidiary of Dollarama Inc., Dollarama also owns a 60.1% equity accounted investment in Central American Retail Sourcing, Inc. (“CARS”), the parent company of entities operating Dollarcity stores located in El Salvador, Guatemala, Colombia and Peru and a 80.05% equity accounted investment in Inversiones Comerciales Mexicanas S.A (“ICM”, and together with CARS and their respective subsidiaries, “Dollarcity”), the parent company of entities established for the future expansion of the operations of Dollarcity in Mexico. Dollarcity and Dollarama International Inc. are not entities required to publish a report under the Supply Chains Act and this Report does not cover Dollarama International Inc.’s and Dollarcity’s operations and supply chains.

## 1. Introduction

At Dollarama, we recognize our responsibility to respect and protect human rights, particularly in the context of an international supply chain, and we are committed to improving our human rights risk mitigation strategies to ensure their continued relevance.

Our framework is comprised of structured accountability mechanisms, including but not limited to, our Code of Conduct, Vendor Code of Conduct and social audit program, which are reinforced by ownership and governance oversight at the management and board level, as well as regular risk assessments, all of which are further described in this Report. Our focus is on enforcing specific workplace standards that aim to promote the dignity, safety and wellbeing of the workers in our operations and supply chain.

## 2. Steps Taken to Prevent the Risks of Forced Labour or Child Labour

In Fiscal 2025, some of our activities and initiatives to prevent and reduce the risk of forced labour and child labour in our business and supply chain included:

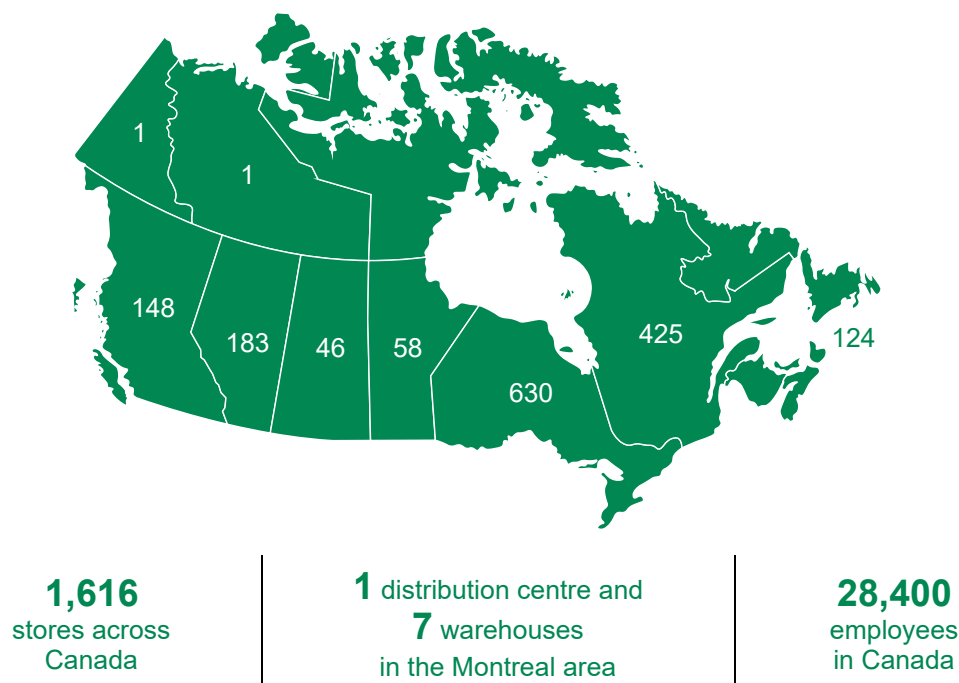
- Creating a dedicated Responsible Sourcing Function responsible for proactively identifying, assessing, and mitigating risks of human rights violations in Dollarama's supply chain, including forced labour and child labour.
- Updating our human rights risk assessment framework to provide a more comprehensive evaluation of at risk countries for human rights violations.
- Conducting an internal review of our social audit program and developing tailored technological tools, including enhancing functionalities of our compliance platform for vendor monitoring.
- Continuing the enrollment of Dollarama vendors into our social audit program and engaging with select vendors to gain additional visibility on indirect vendors in our supply chain.
- Conducting tailored mandatory training for our procurement team on forced labour and child labour risks and ethical sourcing policies and processes in place to mitigate such risks.

Details on the above actions and initiatives are set out in this Report.

### 3. Our Structure, Activities and Supply Chain

#### Our Structure and Operations

Dollarama Inc. is incorporated under the *Canada Business Corporation Act* and its common shares are listed on the Toronto Stock Exchange. Headquartered in Montreal, Quebec, Dollarama is a leading Canadian value retailer with more than 1,600 stores located in all ten provinces, the Yukon and the Northwest Territories.



At Dollarama, our people are essential to delivering on our purpose and our value promise to our customers. Our diverse and dynamic workforce comprises approximately 28,400 employees who work across Canada in our stores, warehouses, distribution centre and head office to provide our customers with a broad assortment of affordable consumable products, general merchandise and seasonal items. The Corporation's logistics network relies on seven warehouses and one distribution centre located in the Montreal, Quebec area. The majority of our warehouse and distribution centre staffing needs are outsourced to a limited number of reputable third-party employment agencies. Those employment opportunities, which are all in Quebec, represent between 4% and 5% of our total workforce requirements, depending on volume and seasonality.

Additional information with respect to our corporate structure and operations can be found in our current annual information form available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

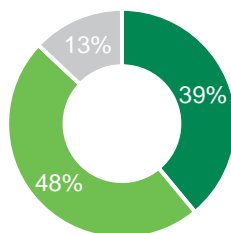
## Our Supply Chain

Dollarama's retail supply chain is multi-tiered, dynamic and complex. The Corporation's sourcing strategy blends directly imported merchandise from overseas and products sourced from North American vendors. The Corporation directly imports products from over 25 countries, with the vast majority of its imports originating from China. During Fiscal 2025, overseas direct imports accounted for 47% of total procurement volume, while 53% was procured from North American vendors.

Dollarama's vendor base is diversified. The Corporation globally sources products from over 1,250 vendors, with the largest vendor accounting for approximately 6.7% of total purchases in Fiscal 2025. For the same period, the top ten vendors represented approximately 33% of total purchases and the top 25 vendors represented approximately 47% of total purchases. The Corporation generally does not enter into long-term purchase contracts or arrangements but rather, purchases products on an order-by-order basis. Since 1993, Dollarama has also developed direct relationships with overseas vendors (which include manufacturers as well as commercial or trading agents that serve as intermediaries between Dollarama and other vendors, including manufacturers). By dealing directly with overseas 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 the Corporation with more visibility and control over safety and quality monitoring.

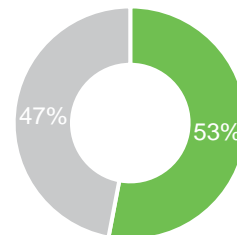
### Merchandise Mix (Fiscal 2025)

- General Merchandise
- Consumables
- Seasonal



### Sourcing Mix (Fiscal 2025)

- North American Vendors
- Overseas Direct Imports



## 4. Assessing and Managing Risks of Forced Labour and Child Labour

### Direct Operations

Dollarama's direct operations are located in Canada, where we believe the risk of forced labour or child labour is limited<sup>2</sup>.

In Canada, Dollarama has direct insight into the working conditions and terms and conditions of employment of its team comprised of approximately 28,400 members, which are set out in employment contracts regulated by the applicable provincial/territorial labour laws. Dollarama is committed to providing a work environment that respects human rights and that supports the fair and equal treatment of all individuals. As part of this commitment, Dollarama complies with all applicable wage and working hour laws, including those related to minimum wage, overtime and maximum hours. Additionally, Dollarama's policy framework, including our Code of Conduct and grievance mechanisms, contributes to mitigating the risks of forced labour and child labour throughout our national operations. Please refer to "Remediation Measures" below for further details on how employees or other stakeholders can raise a concern or complaint.

With respect to employment agency workers within our logistics operations, each agency we work with is vetted by us and must abide by our Vendor Code of Conduct, which outlines our expectations regarding workplace standards and compliance with all applicable labour laws and regulations. We also ensure that our employment agencies hold necessary permits from the *Commission des normes, de l'équité, de la santé et de la sécurité du travail* (CNESST), which the Corporation verifies annually for the agencies with whom it works. In compliance with the requirements of the Quebec *Act respecting labour standards* prohibiting wage disparities, we maintain pay parity between employees and agency workers doing the same work in our distribution centre and warehouses. Dollarama's whistleblowing and grievance mechanisms are available and communicated to all workers in its facilities, regardless of their status, and all are encouraged to report any issues or concerns confidentially.

### Supply Chain

As a large retailer with a business model based on low-cost goods globally sourced from a large number of vendors, Dollarama realizes that human rights risks exist in its supply chain.

The products we purchase have different social risk profiles based on their nature and country of manufacture. We conduct an annual risk assessment to better understand social compliance concerns in our supply chain. This assessment involves identifying risks related to the geography of the manufacturing countries from which we source, and risks associated with the type of products. Our risk mapping is based on our internal audit data, along with publicly available information derived from databases such as Walk Free's Global Slavery Index (the "GSI") and complemented by information obtained from third-party advisors. In Fiscal 2025, we enhanced our human rights risk assessment framework to provide a more comprehensive evaluation of at risk countries. Specifically, we broadened the scope of human rights risk indices used in our analysis, incorporating additional recognized publicly available databases such as the U.S. 2024 Trafficking in Persons Report, the ITUC Global Rights Index and the 2023 Corruption Perceptions Index, among others, to cover a wider range of human rights risks and to triangulate insights from multiple perspectives. To identify forced labour and child labour risks more specifically, we also established a dedicated assessment focused on identifying countries with a higher risk of modern slavery,

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<sup>2</sup> See : <https://cdn.walkfree.org/content/uploads/2023/09/28133439/GSI-Snapshot-Canada.pdf>

leveraging data from the GSI. This dual approach enables us to refine our overall human rights risk evaluation while maintaining a focus on modern slavery risks.

Based on the results of our risk assessment, we prioritize our mitigation efforts.

Most regions in China, one of our key sourcing countries as outlined above, are generally considered to be medium risk jurisdictions<sup>3</sup>. Yet, given the large volume of goods we source from China, this country remains an area of particular focus of our human rights risk mitigation strategy.

We view the Corporation's risk exposure from countries that are considered to have the highest risk of forced labour and child labour according to the GSI as being minimal, as purchases originating from these countries represent less than 1.53% of our total annual procurement volume. We nonetheless pay particular attention to any purchases from these countries and have implemented targeted due diligence measures, as described further in this Report.

Additionally, of all the products we source, we have identified apparel and electronics as two types of products from industries associated with higher risks of forced labour or child labour. However, the volume of purchases in these two categories that originate from countries associated with the highest risks of forced labour and child labour is *de minimis*.

While we have greater visibility of our direct vendors, we know that the risks of forced labour and child labour extend beyond these vendors and at various stages of production. Identifying such risks for vendors further down our supply chain and over which we have less control is more complex. As described further in this Report, we are prioritizing risk management in certain categories beyond direct vendors.

## 5. Our Policies and Due Diligence Processes

Human rights matters are ultimately the oversight responsibility of the board of directors of Dollarama (the "Board of Directors") and are embedded in our governance framework as well as the charters of relevant board committees. This includes, but is not limited to, the Corporation's audit committee's enterprise risk management responsibilities. Management is responsible for identifying and reporting to the Board of Directors on human rights risks, as part of its risk management activities, and for operationalizing our various human rights risk mitigation strategies and related accountability mechanisms. In Fiscal 2025, we created a dedicated Responsible Sourcing Function to proactively identify, assess, and mitigate risks of human rights violations, including risks of forced labour and child labour, in our supply chain. This function, reporting directly to the Senior Vice President, Legal Affairs and Corporate Secretary, is instrumental in conducting human rights risk assessments, providing insights into our human rights strategy, and monitoring the social audit program for our vendors.

Dollarama's responsible sourcing practices are also operationalized through a number of key policies, and due diligence procedures that are designed to support our standards in sustainable supply chain practices. Together, these provide the framework through which we manage risks of forced labour and child labour in our direct operations and supply chain. We believe that close collaboration and engagement with our trusted vendors also fosters constructive mitigation to forced labour and child labour risks across our supply chain.

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<sup>3</sup> See: <https://cdn.walkfree.org/content/uploads/2023/09/27162417/GSI-Snapshot-China.pdf>

## **Our Policies**

### *Our Code of Conduct and Ethics*

Our Code of Conduct and Ethics (the “Code of Conduct”), which applies to all of Dollarama’s employees, covers key topics such as human rights, discrimination, harassment and violence, health and safety and compliance with laws and regulations. It also outlines our commitment to provide a working environment that respects human rights and promotes the fair and equal treatment of all individuals, and to not tolerate the use of child or forced labour anywhere in our facilities or supply chain. Dollarama’s Code of Conduct is available on the Corporation’s website at [www.dollarama.com](http://www.dollarama.com).

### *Our Vendor Code of Conduct*

Dollarama’s Vendor Code of Conduct is a key pillar of Dollarama’s human rights risk mitigation strategy. The Vendor Code of Conduct applies to vendors, domestic and foreign, that directly supply goods and/or services to Dollarama and is designed to ensure that vendors throughout Dollarama’s supply chain have a clear understanding of our expectations of their business standards and practices.

Available in multiple languages, the Vendor Code of Conduct covers key issues including vendor workplace standards and ethical business practices. The Vendor Code of Conduct is aligned with the standards set out in the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, which draw on the United Nations “Protect, Respect and Remedy” Framework and Guiding Principles on Business and Human Rights.

More specifically, the Vendor Code of Conduct strictly prohibits all Dollarama vendors from directly or indirectly using or supporting any form of child labour or forced labour in the manufacture of products or provision of services to Dollarama. Vendors must also provide wages and benefits that comply with applicable labour laws, subject only to deductions expressly permitted by law, and are prohibited from partnering with third-party labour agencies that charge fees to workers for securing employment, or who make illegal deductions from their wages.

The Vendor Code of Conduct also forbids Dollarama vendors from employing underage workers, defined as individuals who are younger than the local minimum working age or 15 years of age, whichever is greater, and to maintain adequate records of the age of each worker, which shall be made available to Dollarama upon request.

Prior to entering into a commercial relationship with us, Dollarama vendors are required to certify their compliance with the standards set out in our Vendor Code of Conduct. This undertaking must be renewed every 12 months.

Vendors are responsible for communicating the requirements of the Vendor Code of Conduct throughout their organization and for ensuring that their employees do not violate its standards. Dollarama also expects its vendors to evaluate and uphold the integrity of their respective supply chains and to ensure that their own business partners that directly or indirectly provide goods or services used in the production of goods sold to Dollarama understand and act in accordance with the Vendor Code of Conduct and applicable laws at all times. Dollarama’s Vendor Code of Conduct is available on the Corporation’s website at [www.dollarama.com](http://www.dollarama.com).



## Our Social Audit Program

Through its social audit program, which has been in place since 2019, Dollarama assesses the practices of vendors against the standards set out in the Vendor Code of Conduct.

We take a risk-based approach to monitor compliance with our standards, focusing on any areas identified as posing greater potential risks of human rights violations. In line with this approach, Dollarama uses third party social compliance audits to evaluate vendors' compliance with our standards.

Our social audit program is currently focused on overseas direct vendors located in jurisdictions in which higher prevalence of human rights violations have been identified. Additionally, as one of our key sourcing countries, all manufacturing vendors located in China from which we source directly are currently automatically included in our social audit program.

Our social audit requirements also apply to indirect vendors in countries associated with the highest estimated prevalence of forced labour and child labour according to the GSI.

In-scope vendors may satisfy our social audit requirements by providing a satisfactory social audit report, accreditation or certification issued by an internationally recognized organization confirming that their workplace policies and practices meet our expectations. Where in-scope vendors cannot provide such valid social audit reports, Dollarama or a designated agent performs social audits through an accredited third-party auditor who conducts on-site visits to the vendors' facilities and assesses their performance against a number of workplace and human rights standards, each graded on a detailed spectrum, including with respect to:

- Child labour and forced labour
- Discrimination
- Discipline, harassment and abuse
- Freedom of association
- Working hours, wages and benefits
- Health and safety
- Management systems
- Environment

In addition, as part of our vendor onboarding process, Dollarama requires selected new vendors to provide a third-party social audit before the issuance of an initial purchase order, ensuring compliance with our ethical sourcing policies from the outset. These vendors are monitored during onboarding and subjected to periodic evaluations to monitor their ongoing compliance at least every 3 years.

During Fiscal 2025, Dollarama continued to engage with its largest trading companies and agent vendors in China to gain visibility on the factories that supply goods to Dollarama through these vendors. As a result of these efforts, a significant number of indirect vendors have shared satisfactory social audit reports with us in line with recognized frameworks, giving us greater insights into forced labour and child labour risks and further contributing to our risk mitigation strategy.

Dollarama regularly conducts random on-site visits to some of its vendors' facilities outside of its social audit program as part of its initiatives to foster our business relationships, ensure product compliance with applicable standards and laws, and to further identify risks in its supply chain.

## 6. Remediation Measures

To encourage anyone to report any violations of our Code of Conduct, Vendor Code of Conduct, applicable laws or any unethical behaviour, including forced labour or child labour, we have established dedicated whistleblower communication channels. At their discretion, employees, vendors, workers and other stakeholders may call Dollarama's confidential Ethics and Compliance Hotline available 24/7 in more than 150 languages at (833) 945-1568, operated by NAVEX, an

independent and secure reporting service, or submit confidential complaints online at [dollarama.ethicspoint.com](https://dollarama.ethicspoint.com) or directly to the Corporation by emailing [ethics@dollarama.com](mailto:ethics@dollarama.com).

#### **Channels available to raise a concern or complaint**

- Calling Dollarama's third-party operated confidential Ethics and Compliance Hotline at **(833) 945-1568**
- Filing a confidential complaint online via **[dollarama.ethicspoint.com](https://dollarama.ethicspoint.com)** or by scanning this QR code
- Sending an email to **[ethics@dollarama.com](mailto:ethics@dollarama.com)**



We have an established incident management and remediation process to ensure that we respond to complaints in an effective and timely manner. In Fiscal 2025, zero complaints reported to the Corporation involved forced labour or child labour.

With respect to the application of the Vendor Code of Conduct, reported violations are escalated to the head of the Legal Department who, based on the circumstances and nature of the violation, will report directly to the Chief Executive Officer and ultimately to the Corporation's audit committee, to which the Board of Directors has delegated primary risk oversight responsibility.

Dollarama's approach to remediation is based on collaboration and transparency. Should a vendor fail to comply with the Vendor Code of Conduct or report a known violation by one of its commercial partners in a timely manner, the vendor must propose and implement a corrective action plan to bring its business up to Dollarama's standards within a reasonable timeframe. Where possible, we will consider how we can use our influence to work with vendors throughout our supply chain to address social issues. For instance, we evaluate whether a vendor has a process in place to identify if any workers have paid recruitment fees and require a repayment plan if applicable. Nonetheless, the Corporation may consider suspending or terminating its business relationship with a non-compliant vendor. During Fiscal 2025, the Corporation terminated or suspended zero business relationships due to instances of forced labour or child labour.

## **7. Training**

The Code of Conduct, which covers human rights, forms part of our regular onboarding program for Dollarama team members. On the supply side, employees in our procurement team are asked to familiarize themselves with the Vendor Code of Conduct and to ensure vendors understand what is expected of them pursuant to our standards. They are also kept abreast of countries and regions subject to Canadian and international sanctions and/or at higher risk of human rights abuses (such as the Xinjiang Uyghur Autonomous Region in China), and are prompted to question vendors about the provenance of their products and raise any potential risks before proceeding with a purchase order.

In Fiscal 2025, Dollarama rolled out tailored, mandatory human rights-specific training for its procurement team. The scope of the training focused on key topics including, but not limited to, our obligations under applicable laws, identifying risk factors for potential human rights violations, our policies and due diligence processes to address forced labour and child labour risks.

## 8. Assessing the Effectiveness of our Actions

We are committed to maintaining effective systems to identify, assess and proactively manage forced labour and child labour risks in accordance with relevant legislation, stakeholders' expectations and good corporate governance principles.

We assess the effectiveness of our approach principally through our social audit program. In addition, we also engage with a number of stakeholders, including shareholders, an industry association, peers and third-party experts, in a direct, open and constructive dialogue on key topics, including on human rights. Through these exchanges, the Corporation received feedback on its human rights risk mitigation strategy and gained further insight into industry best practices.

In Fiscal 2025, in addition to updating our risk assessment methodology as mentioned above, we conducted an internal review of our social audit program and improved our internal processes by enhancing functionalities of our existing compliance platform for vendor monitoring and facilitating collaboration across key departments, including Compliance, Legal affairs, ESG and Procurement.

The Corporation also relies on grievance mechanisms, which assist our employees, vendors and stakeholders, including workers from our supply chain, to confidentially report concerns about any ethical issue. Such mechanisms have proven to be effective and have been used in the past. With respect to risks of forced labour and child labour, Dollarama monitors these grievance mechanisms to assess the effectiveness of its risk mitigation strategy.

We aim to improve our ethical sourcing strategies by reviewing our policies and processes against those of leading peers and guidance from recognized international organizations.

## 9. Approval and attestation

This Report was approved by the Board of Directors of Dollarama Inc. as being a joint report of Dollarama Inc., Dollarama L.P. and Dollarama GP Inc. for the financial year ended February 2, 2025, in accordance with subparagraph 11(4)(b)(ii) of the Supply Chains Act.

In accordance with the requirements of the Supply Chains Act, and in particular section 11 thereof, I hereby attest, in my capacity as a director of, and for and on behalf of the Board of Directors of Dollarama Inc. that (i) I have reviewed the information contained in the Report for the entities listed above, and (ii) based on my knowledge, and after having exercised reasonable diligence, the information in this Report is true, accurate and complete in all material respects for the purposes of the Supply Chains Act, for the reporting year listed above.

*(signed) Stephen Gunn*

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Stephen Gunn

Chairman of the Board of Directors