



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

April 18, 2014



NOTICE OF THE ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual meeting of the holders of common shares (the “Meeting”) of Dollarama Inc. (the “Corporation”) will be held at Hotel Ruby Foo’s, 7655 Décarie Boulevard, Montreal, Québec on June 12, 2014 at 10:00 a.m. for the following purposes:

- (1) to receive the consolidated financial statements of the Corporation for the fiscal year ended February 2, 2014, together with the auditor’s report thereon;
- (2) to elect the directors of the Corporation who will serve until the next annual shareholders meeting or until their successors are appointed;
- (3) to appoint the auditor of the Corporation and to authorize the directors to fix its remuneration; and
- (4) to transact such other business as may properly be brought before the Meeting or any adjournment thereof.

The accompanying management proxy circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this notice. Also enclosed is a form of proxy or voting instruction form, as applicable, for the Meeting.

The management’s discussion and analysis, the consolidated financial statements of the Corporation and the auditor’s report for the fiscal year ended February 2, 2014 are posted on SEDAR at www.sedar.com.

The record date (the “Record Date”) for determining those shareholders entitled to receive notice and to vote at the Meeting is the close of business on April 22, 2014. Only persons registered as shareholders on the books of the Corporation as at the close of business on the Record Date are entitled to receive notice of and to vote at the Meeting, and no person becoming a shareholder after the Record Date shall be entitled to receive notice of and to vote at the Meeting or any adjournment thereof. The failure of any shareholder to receive notice of the Meeting does not deprive the shareholder of the right to vote at the Meeting.

Regardless of whether or not shareholders are able to attend the Meeting (or any adjournment thereof) in person: (i) Non-Registered Shareholders (as defined in the accompanying management proxy circular) are requested to complete, date, sign and return the enclosed voting instruction form in accordance with the instructions set out on such form, and (ii) Registered Holders (as defined in the accompanying management proxy circular) are requested to complete, date and sign the enclosed form of proxy and to return it to Computershare Investor Services Inc. at its Toronto office at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, in the enclosed envelope or by facsimile to 1-866-249-7775, or alternatively, to vote by telephone or over the Internet, at their discretion, in accordance with the instructions provided in the enclosed form of proxy. To be used at the Meeting, proxies must be received by 5:00 p.m. (Montreal time) two (2) business days prior to the Meeting, being June 10, 2014, or any adjournment thereof.

Shareholders are invited to attend the Meeting as there will be an opportunity to ask questions and meet with the directors and the management of the Corporation.

Dated at Montreal, Québec, this 18th day of April, 2014.

By order of the board of directors,

Larry Rossy
Chief Executive Officer

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DOLLARAMA INC.

MANAGEMENT PROXY CIRCULAR

This management proxy circular (the “Circular”) is furnished by management of Dollarama Inc. (the “Corporation”) in connection with the solicitation of proxies for use at the annual meeting of shareholders (the “Meeting”) to be held on June 12, 2014 at 10:00 a.m. (Montreal time) at Hotel Ruby Foo’s, 7655 Décarie Boulevard, Montreal, Québec, or any adjournments thereof, for the purposes set forth in the notice of annual meeting of shareholders (the “Notice of Meeting”).

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

The Corporation is not sending the Notice of Meeting, the Circular and other proxy-related materials (collectively, the “Meeting Materials”) directly to Non-Registered Holders (as hereinafter defined) who are “non-objecting beneficial owners” (or NOBOs). Meeting Materials are being sent through Broadridge Communications Corporation, and the Corporation assumes the delivery costs thereof. Furthermore, the Corporation intends to pay for the delivery of Meeting Materials to Non-Registered Holders who are “objecting beneficial owners” (or OBOs). Refer to the section entitled “Voting Information” to find out if you are a Non-Registered Holder.

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

Unless otherwise indicated, all information provided in this Circular is given as at April 17, 2014.

VOTING INFORMATION

Registered Shareholders

You are a registered shareholder (a “Registered Holder”) if your name appears on your share certificate. If you are not sure whether you are a Registered Holder, please contact Computershare Investor Services at 1-800-564-6253 or 514-982-7555. Each Registered Holder is entitled to one vote for each common share of the Corporation (each a “Common Share”) registered in his or her name as at the record date (the “Record Date”). The directors of the Corporation have set April 22, 2014 as the Record Date.

If you are a Registered Holder, you may vote in person at the Meeting or vote by proxy, by 5:00 p.m. (Montreal time) on June 10, 2014 (or two (2) business days prior to any reconvened Meeting in the event of an adjournment of the Meeting), either by (i) completing, dating and signing the enclosed form of proxy and returning it to Computershare Investor Services Inc. at its Toronto office at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, in the enclosed envelope or by facsimile to 1-866-249-7775, or (ii) voting over the Internet or by telephone, in accordance with the instructions provided in the enclosed form of proxy.

Only Registered Holders at the close of business on the Record Date, or the persons they appoint as their proxyholders, are permitted to vote at the Meeting. If you are unable to attend the Meeting in person or if you do not wish to personally cast your votes, refer to the section entitled “Voting by Proxy for Registered Holders” for more information.

If your Common Shares are registered in the name of an Intermediary (as hereinafter defined) or in the name of a depository such as CDS & Co. (“CDS”), refer to the section entitled “Non-Registered Shareholders” below.

Non-Registered Shareholders

You are a non-registered shareholder (a “Non-Registered Holder”) if your Common Shares are registered either in the name of an intermediary, such as a bank, a trust company, a securities dealer or broker, or an administrator of a self-administered RRSP, RRIF, RESP or similar plan (each an “Intermediary”), and/or in the name of a depository, such as CDS. A majority of the Common Shares issued and outstanding are currently registered under the name of CDS.

Without specific instructions from Non-Registered Holders, CDS is prohibited from voting the Common Shares registered in its name. Non-Registered Holders should ensure that their instructions respecting the voting of their Common Shares are communicated to their respective Intermediary or depository. Therefore, except as set forth herein, Non-Registered Holders cannot be recognized at the Meeting for purposes of voting their Common Shares in person or by way of proxy.

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

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

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

VOTING IN PERSON

If you attend the Meeting in Montreal on June 12, 2014 and are a Registered Holder (or a Non-Registered Holder who has appointed himself or herself as proxyholder), you may cast one vote for each of your Common Shares on any and all resolutions voted on by way of ballot at the Meeting. This may include the election of directors, the other matters listed on the Notice of Meeting and any other business that may arise at the Meeting. You may oppose any matter proposed at the Meeting by either withholding your vote from, or voting your Common Shares against, any resolution at the Meeting, depending on the specific resolution.

VOTING BY PROXY FOR REGISTERED HOLDERS

The following instructions are for Registered Holders only. **If you are a Non-Registered Holder, please follow your Intermediary’s instructions on how to vote your Common Shares.**

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

What Is a Proxy?

A proxy is a document that you may sign in order to authorize another person to cast your votes for you at the Meeting. The document that is enclosed with this Circular is the form of proxy that you may use to authorize another person to vote on your behalf at the Meeting. You may use the enclosed form of proxy to assign your votes to the persons named therein, Larry Rossy or Michael Ross, FCPA, FCA, or to any other person of your choice.

Appointment of Proxies

Your proxyholder is the person you appoint to cast your votes at the Meeting on your behalf. **You may choose Larry Rossy or Michael Ross, FCPA, FCA, or any other person that you want to be your proxyholder. Each shareholder is entitled to appoint a person other than the individuals named in the enclosed form of proxy to represent such shareholder at the Meeting.** Please note that your proxyholder is not required to be another shareholder of the Corporation.

If you want to authorize Larry Rossy or Michael Ross, FCPA, FCA, as your proxyholder, please leave the line near the top of the form of proxy blank as Larry Rossy's and Michael Ross' names are already pre-printed on the form. If you want to authorize another person as your proxyholder, fill in that person's name in the blank space located near the top of the enclosed form of proxy.

Your proxy authorizes the proxyholder to vote and otherwise act for you at the Meeting, including any continuation of the Meeting that may occur in the event that the Meeting is adjourned. **If you return the attached form of proxy to Computershare Investor Services Inc. and have left the line for the proxyholder's name blank, then Larry Rossy or Michael Ross, FCPA, FCA, will automatically become your proxyholder.**

Depositing Proxies

To be valid, the form of proxy must be filled out, correctly signed (exactly as your name appears on the form of proxy), and returned to Computershare Investor Services Inc. at its Toronto office at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, in the enclosed envelope or by facsimile to 1-866-249-7775 by 5:00 p.m. (Montreal time) on June 10, 2014 (or two (2) business days prior to any reconvened Meeting in the event of an adjournment of the Meeting). Your proxyholder may then vote on your behalf at the Meeting.

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

If you have NOT specified how to vote on a particular matter, your proxyholder is entitled to vote your Common Shares as he or she sees fit. Please note that if your form of proxy does not specify how to vote on any particular matter and if you have authorized Larry Rossy or Michael Ross, FCPA, FCA, to act as your proxyholder (by leaving the line for the proxyholder's name blank on the form of proxy), your Common Shares will be voted at the Meeting as follows:

- FOR the election of each of the management's nominees as directors of the Corporation; and
- FOR the appointment of PricewaterhouseCoopers LLP as auditor.

For more information on these matters, please see the section entitled "Business of the Meeting" beginning on page 4 of this Circular. **The enclosed form of proxy also confers discretionary authority upon the persons named therein with respect to amendments to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting.** At the date of this Circular, management of the Corporation is not aware of any such amendments or other matters.

Revocation of Proxies

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

If you revoke your proxy and do not replace it with another form of proxy that is deposited with Computershare Investor Services Inc. on or before the deadline, set at 5:00 p.m. (Montreal time) on June 10, 2014 (or two (2) business days prior to any reconvened Meeting in the event of an adjournment of the Meeting), you may still vote your own Common Shares in person at the Meeting provided that you are a Registered Holder whose name appears on the shareholders’ register of the Corporation.

HOW A VOTE IS PASSED

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

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

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

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

As at April 17, 2014, there were 67,959,077 Common Shares issued and outstanding. Each Common Share carries the right to one vote on all matters to come before the Meeting.

Only persons registered as shareholders on the books of the Corporation as at the close of business on April 22, 2014, the Record Date, are entitled to receive notice of and to vote at the Meeting, and no person becoming a shareholder after the Record Date shall be entitled to receive notice of and to vote at the Meeting or any adjournment thereof.

To the knowledge of the directors and executive officers of the Corporation, based on the information publicly available as at April 17, 2014, no person beneficially owns, or controls or directs, directly or indirectly, 10% or more of the outstanding Common Shares.

BUSINESS OF THE MEETING

Financial Statements

The audited consolidated financial statements of the Corporation for the fiscal year ended February 2, 2014, together with the auditor’s report thereon, will be submitted at the Meeting, but no vote thereon is required or expected. These audited consolidated financial statements, together with the management’s discussion and analysis, were sent to shareholders who requested copies thereof with this Circular and are also available on SEDAR at www.sedar.com.

Election of Directors

On April 11, 2013, the Board of Directors adopted a majority voting policy providing that, in an uncontested election of directors, any nominee who receives a greater number of votes “withheld” than votes “for” in respect of his election will be expected to tender his resignation promptly following the meeting of shareholders. The nominating and governance committee of the Board of Directors (the “Nominating and Governance Committee”) will then consider the tendered resignation and will make a recommendation to the Board of Directors. The decision of the Board of Directors to accept or reject the resignation will be announced in a press release within 90 days following the date of the meeting. A full description of the majority voting policy is included under the heading “Majority Voting Policy” of this Circular.

The Board of Directors is currently comprised of nine (9) directors. The persons identified in the section “Nominees for Election to the Board of Directors” will be nominated for election as directors; all such nominees are presently directors of the Corporation and each of them was elected at the annual meeting of shareholders of the Corporation held on June 12, 2013 by at least a majority of the votes cast. Each director is expected to hold office until the next annual meeting of shareholders. The directors are elected annually and, unless re-elected, retire from office at the close of the next annual meeting of shareholders.

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

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

As the chair of the Board of Directors (the “Chair”) is not an independent director, the Board of Directors has appointed a lead director (the “Lead Director”) with the responsibility of ensuring that the Board of Directors functions independently from management. See “Corporate Governance – Board of Directors – Independence” and “Corporate Governance - Position Descriptions - The Lead Director”.

Appointment of Auditor

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

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

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

For the fiscal years ended February 2, 2014 and February 3, 2013, the Corporation was billed the following fees for audit, audit-related, tax and all other services provided to the Corporation by its external auditor, PricewaterhouseCoopers LLP:

	Fiscal year ended February 2, 2014	Fiscal year ended February 3, 2013
Audit Fees ⁽¹⁾	\$440,000	\$460,000
Audit-Related Fees ⁽²⁾	\$160,000	Nil
Tax Fees ⁽³⁾	\$168,915	\$225,000
All Other Fees ⁽⁴⁾	\$30,000	\$65,000
Total Fees Paid	\$798,915	\$750,000

- (1) "Audit Fees" include fees necessary to perform the annual audit of the consolidated financial statements.
- (2) "Audit-Related Fees" include fees for assurance and related services that are reasonably related to the performance of the audit or review of the financial statements and are not reported under "Audit Fees". No such fees were billed to the Corporation in the fiscal year ended February 3, 2013. In the fiscal year ended February 2, 2014, this category includes fees related to the issuance of a comfort letter and the performance of required procedures in connection with the private offering of \$400 million senior unsecured notes due November 5, 2018 as well as assistance with the Corporation's 52-109 compliance project.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax advice and tax planning.
- (4) "Other Fees" include fees for products and services provided by the external auditor other than those included above. This category represents primarily fees related to translation services.

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

NOMINEES FOR ELECTION TO THE BOARD OF DIRECTORS

Description of Proposed Director Nominees

Nine (9) directors are to be elected at the Meeting, each of whom is to hold office until the close of the next annual meeting of shareholders or until a successor is elected or appointed.

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

The following tables provide information about the proposed nominees for election as directors as at April 17, 2014, including their name, place of residence, age, independence from the Corporation, the date they became directors, their principal occupation, biography, committee memberships, attendance record, memberships on boards of other public companies during the last five years (if applicable) and total compensation received in their capacity as directors of the Corporation for each of the last two (2) fiscal years.

Also indicated is the number of securities of the Corporation beneficially owned, or controlled or directed, directly or indirectly, by each director as at February 2, 2014, the total market value of such securities as at February 2, 2014 and each director's level of attainment of the Director Share Ownership Guidelines described herein under "Director Share Ownership Guidelines" as at the date hereof.

LARRY ROSSY**Chair of the Board of Directors and CEO of the Corporation**

Québec, Canada
Age: 71

Larry Rossy is the Chair of the Board of Directors and the CEO. He has been a retailer since 1965 and is the founder of Dollarama. In 1992, Mr. Rossy made the strategic decision to convert the company to the “dollar store” concept. Since that time, Mr. Rossy’s principal focus has been on the expansion of the Dollarama retail network. In addition to overseeing the organization, Mr. Rossy is directly responsible for new store development and site selection. Mr. Rossy also assumed the duties and responsibilities of the chief operating officer, in collaboration with other members of the senior management team, pending the appointment of a candidate to fill the vacancy. He received a Bachelor of Arts from McGill University.

Director since 2004
Not independent⁽¹⁾

2013 Annual Meeting of
Shareholders Voting Results

	%	#
For:	96.45	59,933,092
Withheld:	3.55	2,204,452

**Other Public Company Directorships
In the Past Five Years:**

—

Board/Committee Memberships

- Board of Directors

Attendance

8/8 (100.0%)

Total

8/8 (100.0%)

Value of Total Compensation Received as Director⁽²⁾

Fiscal year ended February 2, 2014: —

Fiscal year ended February 3, 2013: —

Securities Held as at February 2, 2014**As at April 17, 2014**

Common Shares (#)	Market Value of Common Shares ⁽³⁾ (\$)	Options (#)	Value of Vested Options ⁽³⁾ (\$)	Total Market Value of Securities Held ⁽³⁾ (\$)	Total Ownership as Multiple of Retainer ⁽⁴⁾ (Target: 3x base salary)
4,407,230	370,207,320	200,000	810,000	371,017,320	522.3x

Options Held as at February 2, 2014

Grant Date	Expiry Date	Options (#)	Exercise Price (\$)	Vested Options (#)	Value of Vested Options ⁽³⁾ (\$)
January 18, 2012	January 18, 2022	50,000	43.50	20,000	810,000
April 11, 2013	April 11, 2023	150,000	72.13	0	0

Notes

- (1) Larry Rossy is not considered independent because he is the Chief Executive Officer of the Corporation.
- (2) Larry Rossy does not receive any compensation from the Corporation for his services as Chairman of the Board of Directors. For further details on his compensation as CEO, see “Compensation Discussion and Analysis - Compensation Components - Summary Compensation Table”.
- (3) Based on the closing price of the Common Shares (\$84.00) on January 31, 2014, being the last trading day before the end of the fiscal year ended February 2, 2014.
- (4) Equity ownership was assessed as at April 17, 2014, based on the closing price of the Common Shares (\$88.56) on such date. Larry Rossy is subject to Executive Share Ownership Guidelines rather than Director Share Ownership Guidelines as he is not compensated for his role as Chairman of the Board of Directors. For further details, see “Compensation Discussion and Analysis - Compensation Components - Executive Share Ownership Guidelines.”

JOSHUA BEKENSTEIN

Massachusetts, USA
Age: 55

Director since 2004
Independent

2013 Annual Meeting of
Shareholders Voting Results

	%	#
For:	97.81	60,779,335
Withheld:	2.19	1,358,158

Managing Director, Bain Capital Partners, LLC

Joshua Bekenstein is a member of the Board of Directors, the Chair of the Human Resources and Compensation Committee and a member of the Nominating and Governance Committee. Mr. Bekenstein is a Managing Director at Bain Capital Partners, LLC. Prior to joining Bain Capital Partners, LLC in 1984, Mr. Bekenstein spent several years at Bain & Company, where he was involved with companies in a variety of industries. Mr. Bekenstein is a member of the board of directors and the chair of the human resources, nomination and governance committee of BRP Inc. Mr. Bekenstein also serves as a director of several other corporations, including Bright Horizons Family Solutions Inc., Burlington Stores, Inc., The Gymboree Corporation, Michaels Stores, Inc., Toys “R” Us, Inc., Waters Corporation, Canada Goose and Bob’s Discount Furniture and sits on the compensation committee of several of those corporations. Mr. Bekenstein received a Bachelor of Arts from Yale University and a Master of Business Administration (MBA) from Harvard Business School.

**Other Public Company Directorships
In the Past Five Years:**

Waters Corporation	1994 – present
Bright Horizons Family Solutions Inc.	2013 – present ⁽¹⁾
BRP Inc.	2013 – present ⁽¹⁾
Burlington Stores, Inc.	2013 – present ⁽¹⁾

Board/Committee Memberships

- Board of Directors
- Human Resources and Compensation Committee (Chair)
- Nominating and Governance Committee

Attendance

8/8 (100.0%)
5/5 (100.0%)
2/2 (100.0%)
15/15 (100.0%)

Total**Value of Total Compensation Received as Director⁽²⁾**

Fiscal year ended February 2, 2014⁽³⁾: \$109,000 Fiscal year ended February 3, 2013: \$57,500

Securities Held as at February 2, 2014**As at April 17, 2014**

Common Shares (#)	Market Value of Common Shares ⁽⁴⁾ (\$)	Options (#)	Value of Vested Options ⁽⁴⁾ (\$)	Total Market Value of Securities Held ⁽⁴⁾ (\$)	Total Ownership as Multiple of Retainer ⁽⁵⁾ (Target: 3x annual cash retainer)
2,500	210,000	4,000	32,400	242,400	5.3x

Options Held as at February 2, 2014⁽⁶⁾

Grant Date	Expiry Date	Options (#)	Exercise Price (\$)	Vested Options (#)	Value of Vested Options ⁽⁴⁾ (\$)
January 18, 2012	January 18, 2022	2,000	43.50	800	32,400
April 11, 2013	April 11, 2023	2,000	72.13	0	0

Notes

- (1) Bright Horizons Family Solutions Inc. is a public company since January 2013 but Mr. Bekenstein has been on the board of directors since 2008. BRP Inc. is a public company since May 2013 but Mr. Bekenstein has been on the board of directors since 2003. Burlington Stores, Inc. is a public company since October 2013 but Mr. Bekenstein has been on the board of directors since 2006.
- (2) The option grants representing director compensation for the fiscal year ended February 3, 2013 were approved on January 18, 2012, prior to the beginning of the relevant fiscal year. As such, the value of the grants was included in the total compensation earned by directors for the fiscal year ended January 29, 2012 as opposed to the fiscal year ended February 3, 2013. The option grants representing director compensation for the fiscal year ended February 2, 2014 were approved on April 11, 2013. Consequently, the value of the grants was included in the compensation for the fiscal year ended February 2, 2014 with the result that no option grants value was included in the total compensation earned by directors for the fiscal year ended February 3, 2013. This timing difference in the annual grant of options explains in large part the apparent increase in director compensation between the fiscal years ended February 3, 2013 and February 2, 2014.
- (3) For further details on director compensation, see “Nominees for Election to the Board of Directors - Director Compensation”.
- (4) Based on the closing price of the Common Shares (\$84.00) on January 31, 2014, being the last trading day before the end of the fiscal year ended February 2, 2014.
- (5) Equity ownership was assessed as at April 17, 2014, based on the closing price of the Common Shares (\$88.56) on such date. As a result of the increase of the director annual cash retainer from \$40,000 to \$50,000, effective February 4, 2013, approved in the context of the biennial review of director compensation, the target equity ownership level increased from \$120,000 to \$150,000. For further details on the share ownership guidelines applicable to directors, see “Nominees for Election to the Board of Directors - Director Share Ownership Guidelines”.
- (6) Although a member of the Board of Directors since 2004, Mr. Bekenstein started receiving compensation for his services as director on July 1, 2011 only. Until the end of the fiscal year ended January 29, 2012, option grants to Non-Executive Directors (as hereinafter defined) under the Director Compensation Policy were made on the anniversary date of each director’s appointment whereas annual grants are now made on the same date for all Non-Executive Directors. For further details on director compensation, see “Nominees for Election to the Board of Directors - Director Compensation”.

GREGORY DAVID**CEO of GRI Capital Inc.**

Ontario, Canada
Age: 46

Gregory David is a member of the Board of Directors. He is the Chief Executive Officer of GRI Capital Inc. and has been with the company and its affiliates since 2003. Prior to GRI Capital Inc., Mr. David provided financial and strategic advisory services to private and public companies from 2000 to 2003. Previously, he worked at Claridge Inc. from 1998 to 2000 and at McKinsey & Co. from 1996 to 1998. He has a Bachelor of Commerce from Queen's University, a Bachelor of Laws from McGill University and a Master of Business Administration from Harvard Business School.

Director since 2004
Not independent⁽¹⁾

2013 Annual Meeting of
Shareholders Voting Results

	%	#
For:	97.76	60,746,607
Withheld:	2.24	1,390,886

**Other Public Company Directorships
In the Past Five Years:**

—

Board/Committee Memberships

- Board of Directors

Attendance

7/8 (87.5%)

Total

7/8 (87.5%)

Value of Total Compensation Received as Director⁽²⁾

Fiscal year ended February 2, 2014⁽³⁾: \$91,000

Fiscal year ended February 3, 2013: \$49,000

Securities Held as at February 2, 2014

As at April 17, 2014

Common Shares (#)	Market Value of Common Shares ⁽⁴⁾ (\$)	Options (#)	Value of Vested Options ⁽⁴⁾ (\$)	Total Market Value of Securities Held ⁽⁴⁾ (\$)	Total Ownership as Multiple of Retainer ⁽⁵⁾ (Target: 3x annual cash retainer)
—	—	10,000	244,724	244,724	5.4x

Options Held as at February 2, 2014⁽⁶⁾

Grant Date	Expiry Date	Options (#)	Exercise Price (\$)	Vested Options (#)	Value of Vested Options ⁽⁴⁾ (\$)
October 16, 2009	October 16, 2019	2,000	17.50	1,600	106,400
October 16, 2010	October 16, 2020	2,000	26.55	1,200	68,940
October 16, 2011	October 16, 2021	2,000	37.77	800	36,984
January 18, 2012	January 18, 2022	2,000	43.50	800	32,400
April 11, 2013	April 11, 2023	2,000	72.13	0	0

Notes

- (1) Gregory David is not considered independent due to his relationship with Larry Rossy and other members of the current or former management.
- (2) The option grants representing director compensation for the fiscal year ended February 3, 2013 were approved on January 18, 2012, prior to the beginning of the relevant fiscal year. As such, the value of the grants was included in the total compensation earned by directors for the fiscal year ended January 29, 2012 as opposed to the fiscal year ended February 3, 2013. The option grants representing director compensation for the fiscal year ended February 2, 2014 were approved on April 11, 2013. Consequently, the value of the grants was included in the compensation for the fiscal year ended February 2, 2014 with the result that no option grants value was included in the total compensation earned by directors for the fiscal year ended February 3, 2013. This timing difference in the annual grant of options explains in large part the apparent increase in director compensation between the fiscal years ended February 3, 2013 and February 2, 2014.
- (3) For further details on director compensation, see "Nominees for Election to the Board of Directors - Director Compensation".
- (4) Based on the closing price of the Common Shares (\$84.00) on January 31, 2014, being the last trading day before the end of the fiscal year ended February 2, 2014.
- (5) Equity ownership was assessed as at April 17, 2014, based on the closing price of the Common Shares (\$88.56) on such date. As a result of the increase of the director annual cash retainer from \$40,000 to \$50,000, effective February 4, 2013, approved in the context of the biennial review of director compensation, the target equity ownership level increased from \$120,000 to \$150,000. For further details on the share ownership guidelines applicable to directors, see "Nominees for Election to the Board of Directors - Director Share Ownership Guidelines".
- (6) Until the end of the fiscal year ended January 29, 2012, option grants to Non-Executive Directors (as hereinafter defined) under the Director Compensation Policy were made on the anniversary date of each director's appointment whereas annual grants are now made on the same date for all Non-Executive Directors. For further details on director compensation, see "Nominees for Election to the Board of Directors - Director Compensation".

STEPHEN GUNN

Ontario, Canada
Age: 59

Director since 2009
Independent

2013 Annual Meeting of
Shareholders Voting Results

	%	#
For:	97.56	60,620,825
Withheld:	2.44	1,516,668

Chair of the board of directors and CEO of Sleep Country Canada Inc.

Stephen Gunn is the Lead Director of the Board of Directors, the Chair of the Nominating and Governance Committee and a member of the Audit Committee and the Human Resources and Compensation Committee. Mr. Gunn serves as chair of the board of directors and CEO of Sleep Country Canada Inc. He is also a director of Golf Town Inc., Mastermind Toys and Cara Operations Limited. He has a Bachelor of Electrical Engineering from Queen's University and a Master of Business Administration from the University of Western Ontario.

**Other Public Company Directorships
In the Past Five Years:**

—

Board/Committee Memberships

• Board of Directors	8/8 (100.0%)
• Audit Committee	4/4 (100.0%)
• Human Resources and Compensation Committee	5/5 (100.0%)
• Nominating and Governance Committee (Chair)	2/2 (100.0%)

Total 19/19 (100.0%)

Value of Total Compensation Received as Director⁽¹⁾

Fiscal year ended February 2, 2014⁽²⁾: \$120,000 **Fiscal year ended February 3, 2013:** \$68,000

Securities Held as at February 2, 2014**As at April 17, 2014**

Common Shares (#)	Market Value of Common Shares ⁽³⁾ (\$)	Options (#)	Value of Vested Options ⁽³⁾ (\$)	Total Market Value of Securities Held ⁽³⁾ (\$)	Total Ownership as Multiple of Retainer ⁽⁴⁾ (Target: 3x annual cash retainer)
14,300	1,201,200	10,000	244,724	1,445,924	30.8x

Options Held as at February 2, 2014⁽⁵⁾

Grant Date	Expiry Date	Options (#)	Exercise Price (\$)	Vested Options (#)	Value of Vested Options ⁽³⁾ (\$)
October 16, 2009	October 16, 2019	2,000	17.50	1,600	106,400
October 16, 2010	October 16, 2020	2,000	26.55	1,200	68,940
October 16, 2011	October 16, 2021	2,000	37.77	800	36,984
January 18, 2012	January 18, 2022	2,000	43.50	800	32,400
April 11, 2013	April 11, 2023	2,000	72.13	0	0

Notes

- (1) The option grants representing director compensation for the fiscal year ended February 3, 2013 were approved on January 18, 2012, prior to the beginning of the relevant fiscal year. As such, the value of the grants was included in the total compensation earned by directors for the fiscal year ended January 29, 2012 as opposed to the fiscal year ended February 3, 2013. The option grants representing director compensation for the fiscal year ended February 2, 2014 were approved on April 11, 2013. Consequently, the value of the grants was included in the compensation for the fiscal year ended February 2, 2014 with the result that no option grants value was included in the total compensation earned by directors for the fiscal year ended February 3, 2013. This timing difference in the annual grant of options explains in large part the apparent increase in director compensation between the fiscal years ended February 3, 2013 and February 2, 2014.
- (2) For further details on director compensation, see "Nominees for Election to the Board of Directors - Director Compensation".
- (3) Based on the closing price of the Common Shares (\$84.00) on January 31, 2014, being the last trading day before the end of the fiscal year ended February 2, 2014.
- (4) Equity ownership was assessed as at April 17, 2014, based on the closing price of the Common Shares (\$88.56) on such date. As a result of the increase of the director annual cash retainer from \$40,000 to \$50,000, effective February 4, 2013, approved in the context of the biennial review of director compensation, the target equity ownership level increased from \$120,000 to \$150,000. For further details on the share ownership guidelines applicable to directors, see "Nominees for Election to the Board of Directors - Director Share Ownership Guidelines".
- (5) Until the end of the fiscal year ended January 29, 2012, option grants to Non-Executive Directors (as hereinafter defined) under the Director Compensation Policy were made on the anniversary date of each director's appointment whereas annual grants are now made on the same date for all Non-Executive Directors. For further details on director compensation, see "Nominees for Election to the Board of Directors - Director Compensation".

NICHOLAS NOMICOS

Massachusetts, USA
Age: 51

Director since 2004
Independent

2013 Annual Meeting of
Shareholders Voting Results

	%	#
For:	90.78	56,410,041
Withheld:	9.22	5,727,503

Managing Director, Sankaty Advisors, LLC

Nicholas Nomicos is a member of the Board of Directors and of the Human Resources and Compensation Committee. Mr. Nomicos is a Managing Director at Sankaty Advisors, LLC, the credit affiliate of Bain Capital Partners, LLC. Prior to joining Sankaty in 2011, he was an Operating Partner at Bain Capital Partners, LLC where he worked since 1999 in a variety of investments in the manufacturing and consumer product sectors. He also served as Senior Vice President, Interim Chief Financial Officer and Secretary of the Corporation from September 2009 to April 2010. Prior to joining Bain Capital Partners, LLC, Mr. Nomicos was a senior corporate development and manufacturing executive at Oak Industries Inc., and he spent several years at Bain & Company where he was a Manager. Mr. Nomicos serves as a director of several corporations, including BRP Inc. and Penn Foster College. Mr. Nomicos received a Master of Business Administration (MBA) from Harvard Business School and a Bachelor of Science in Engineering from Princeton University.

**Other Public Company Directorships
In the Past Five Years:**

BRP Inc. 2013 – present⁽¹⁾

Board/Committee Memberships**Attendance**

- | | |
|--|-----------------------------|
| • Board of Directors | 7/8 (87.5%) |
| • Human Resources and Compensation Committee | 2/2 (100.0%) ⁽²⁾ |

Total

9/10 (90.0%)

Value of Total Compensation Received as Director⁽³⁾

Fiscal year ended February 2, 2014⁽⁴⁾: \$94,000 Fiscal year ended February 3, 2013: \$49,000

Securities Held as at February 2, 2014**As at April 17, 2014**

Common Shares (#)	Market Value of Common Shares ⁽⁵⁾ (\$)	Options (#)	Value of Vested Options ⁽⁵⁾ (\$)	Total Market Value of Securities Held ⁽⁵⁾ (\$)	Total Ownership as Multiple of Retainer ⁽⁶⁾ (Target: 3x annual cash retainer)
—	—	4,000	32,400	32,400	0.9x

Options Held as at February 2, 2014⁽⁷⁾

Grant Date	Expiry Date	Options (#)	Exercise Price (\$)	Vested Options (#)	Value of Vested Options ⁽⁵⁾ (\$)
January 18, 2012	January 18, 2022	2,000	43.50	800	32,400
April 11, 2013	April 11, 2023	2,000	72.13	0	0

Notes

- BRP Inc. is a public company since May 2013 but Mr. Nomicos has been on the board of directors since 2003.
- Nicholas Nomicos participated in all meetings of the Human Resources and Compensation Committee held since his appointment on September 10, 2013.
- The option grants representing director compensation for the fiscal year ended February 3, 2013 were approved on January 18, 2012, prior to the beginning of the relevant fiscal year. As such, the value of the grants was included in the total compensation earned by directors for the fiscal year ended January 29, 2012 as opposed to the fiscal year ended February 3, 2013. The option grants representing director compensation for the fiscal year ended February 2, 2014 were approved on April 11, 2013. Consequently, the value of the grants was included in the compensation for the fiscal year ended February 2, 2014 with the result that no option grants value was included in the total compensation earned by directors for the fiscal year ended February 3, 2013. This timing difference in the annual grant of options explains in large part the apparent increase in director compensation between the fiscal years ended February 3, 2013 and February 2, 2014.
- For further details on director compensation, see "Nominees for Election to the Board of Directors - Director Compensation".
- Based on the closing price of the Common Shares (\$84.00) on January 31, 2014, being the last trading day before the end of the fiscal year ended February 2, 2014.
- Equity ownership was assessed as at April 17, 2014, based on the closing price of the Common Shares (\$88.56) on such date. Nicholas Nomicos has until April 10, 2017 to reach the required level of ownership under the Director Share Ownership Guidelines. As a result of the increase of the director annual cash retainer from \$40,000 to \$50,000, effective February 4, 2013, approved in the context of the biennial review of director compensation, the target equity ownership level increased from \$120,000 to \$150,000. For further details on the share ownership guidelines applicable to directors, see "Nominees for Election to the Board of Directors - Director Share Ownership Guidelines".
- Although a member of the Board of Directors since 2004, Mr. Nomicos started receiving compensation for his services as director on July 1, 2011 only. Until the end of the fiscal year ended January 29, 2012, option grants to Non-Executive Directors (as hereinafter defined) under the Director Compensation Policy were made on the anniversary date of each director's appointment whereas annual grants are now made on the same date for all Non-Executive Directors. For further details on director compensation, see "Nominees for Election to the Board of Directors - Director Compensation".

NEIL ROSSY

Québec, Canada
Age: 44

Director since 2004
Not independent⁽¹⁾

2013 Annual Meeting of
Shareholders Voting Results

	%	#
For:	99.31	61,709,648
Withheld:	0.69	427,896

Chief Merchandising Officer of the Corporation

Neil Rossy is a member of the Board of Directors. Mr. Rossy joined Dollarama at its inception in 1992 and currently serves as Chief Merchandising Officer. He led the design and construction of the Dollarama warehouses, distribution center and head office. Mr. Rossy is responsible for store design, merchandising, product development and special projects. He holds a Bachelor of Arts from Queen's University.

**Other Public Company Directorships
In the Past Five Years:**

—

Board/Committee Memberships

- Board of Directors

Total**Attendance**

6/8 (75.0%)

6/8 (75.0%)⁽²⁾**Value of Total Compensation Received as Director⁽³⁾**

Fiscal year ended February 2, 2014: —

Fiscal year ended February 3, 2013: —

Securities Held as at February 2, 2014**As at April 17, 2014**

Common Shares (#)	Market Value of Common Shares ⁽⁴⁾ (\$)	Options (#)	Value of Vested Options ⁽⁴⁾ (\$)	Total Market Value of Securities Held ⁽⁴⁾ (\$)	Total Ownership as Multiple of Retainer ⁽⁵⁾ (Target: 1.5x base salary)
632,344	53,116,896	90,000	324,000	53,440,896	113.2x

Options Held as at February 2, 2014

Grant Date	Expiry Date	Options (#)	Exercise Price (\$)	Vested Options (#)	Value of Vested Options ⁽⁴⁾ (\$)
January 18, 2012	January 18, 2022	20,000	43.50	8,000	324,000
April 11, 2013	April 11, 2023	70,000	72.13	0	0

Notes

- (1) Neil Rossy is not considered independent because he is the Chief Merchandising Officer of the Corporation.
- (2) Neil Rossy did not participate in the meetings of the Board of Directors held via conference call on April 19, 2013 and October 20, 2013 as he was travelling on business in China on those dates.
- (3) Neil Rossy does not receive any compensation from the Corporation for his services as director. For further details on his compensation as Chief Merchandising Officer, see "Compensation Discussion and Analysis - Compensation Components - Summary Compensation Table".
- (4) Based on the closing price of the Common Shares (\$84.00) on January 31, 2014, being the last trading day before the end of the fiscal year ended February 2, 2014.
- (5) Equity ownership was assessed as at April 17, 2014, based on the closing price of the Common Shares (\$88.56) on such date. Neil Rossy is subject to Executive Share Ownership Guidelines rather than Director Share Ownership Guidelines as he is not compensated for his role as director. For further details, see "Compensation Discussion and Analysis - Compensation Components - Executive Share Ownership Guidelines".

RICHARD G. ROY, FCPA, FCA

Québec, Canada
Age: 58

Director since October 2012
Independent

2013 Annual Meeting of
Shareholders Voting Results

	%	#
For:	99.48	61,816,655
Withheld:	0.52	320,838

**Other Public Company Directorships
In the Past Five Years:**

Uni-Sélect Inc. 2008 – present

President and Chief Executive Officer, Uni-Sélect Inc.

Richard G. Roy, FCPA, FCA, is a member of the Board of Directors and a member of the Audit Committee. He serves as President and Chief Executive Officer of Uni-Sélect Inc., a distributor of automotive replacement parts, equipment, tools and accessories in North America, since January 1, 2008. He also sits on the board of directors of Uni-Sélect Inc. since May 2008. Prior to January 2008, he held various senior roles at Uni-Sélect Inc., including the positions of Vice President, Chief Operating Officer from April 2007 to January 2008, and Vice President, Administration and Chief Financial Officer from January 1999 to April 2007. Mr. Roy received his Fellow Chartered Accountant (FCA) designation from the *Ordre des comptables professionnels agréés du Québec* in 2012.

Board/Committee Memberships

- Board of Directors
- Audit Committee

Total**Attendance**

8/8 (100.0%)
4/4 (100.0%)
12/12 (100.0%)

Value of Total Compensation Received as Director

Fiscal year ended February 2, 2014⁽¹⁾: \$103,500 Fiscal year ended February 3, 2013⁽²⁾: \$43,648

Securities Held as at February 2, 2014

As at April 17, 2014

Common Shares (#)	Market Value of Common Shares ⁽³⁾ (\$)	Options (#)	Value of Vested Options ⁽³⁾ (\$)	Total Market Value of Securities Held ⁽³⁾ (\$)	Total Ownership as Multiple of Retainer ⁽⁴⁾ (Target: 3x annual cash retainer)
2,000	168,000	4,000	8,040	176,040	3.9x

Options Held as at February 2, 2014⁽⁵⁾

Grant Date	Expiry Date	Options (#)	Exercise Price (\$)	Vested Options (#)	Value of Vested Options ⁽³⁾ (\$)
October 11, 2012	October 11, 2022	2,000	63.90	400	8,040
April 11, 2013	April 11, 2023	2,000	72.13	0	0

Notes

- (1) For further details on director compensation, see “Nominees for Election to the Board of Directors - Director Compensation”.
- (2) Represents the fees earned by Richard G. Roy between October 11, 2012, the date on which he was appointed to the Board of Directors and the Audit Committee, and the end of the fiscal year ended February 3, 2013, including the grant date fair value of the 2,000 options granted to him on October 11, 2012, in accordance with the Director Compensation Policy.
- (3) Based on the closing price of the Common Shares (\$84.00) on January 31, 2014, being the last trading day before the end of the fiscal year ended February 2, 2014.
- (4) Equity ownership was assessed as at April 17, 2014, based on the closing price of the Common Shares (\$88.56) on such date. As a result of the increase of the director annual cash retainer from \$40,000 to \$50,000, effective February 4, 2013, approved in the context of the biennial review of director compensation, the target equity ownership level increased from \$120,000 to \$150,000. For further details on the share ownership guidelines applicable to directors, see “Nominees for Election to the Board of Directors - Director Share Ownership Guidelines”.
- (5) The grant approved on October 11, 2012 represents options granted to Richard G. Roy upon his appointment to the Board of Directors, as per the terms of the Director Compensation Policy. The grant approved on April 11, 2013 represents director compensation for the fiscal year ended February 2, 2014. For further details on director compensation, see “Nominees for Election to the Board of Directors - Director Compensation”.

JOHN J. SWIDLER, FCPA, FCA

Québec, Canada
Age: 70

Director since 2010
Independent

2013 Annual Meeting of
Shareholders Voting Results

	%	#
For:	99.64	61,911,826
Withheld:	0.36	225,718

Consultant, Richter LLP

John J. Swidler, FCPA, FCA, is a member of the Board of Directors and the Chair of the Audit Committee. Mr. Swidler is the lead director and the chair of the audit committee of Reitmans (Canada) Limited, the chair of the board of trustees of the Noranda Operating Trust (which supervises the Noranda Income Fund) and he recently joined the board of directors of Accord Financial Corp. He also acts as consultant for Richter LLP, after several years spent acting as senior advisor to the same firm. He was the Managing Partner of RSM Richter LLP (Richter LLP's predecessor) from 1996 to January 1, 2007 and was Chairman of the firm's executive committee from 1982 to 1996. Mr. Swidler graduated from McGill University with a Bachelor of Commerce degree and obtained his designation as a Chartered Accountant. He also received a Bachelor of Civil Law from McGill University. He received his Fellow Chartered Accountant (FCA) designation from the *Ordre des comptables professionnels agréés du Québec* in 1992.

**Other Public Company Directorships
In the Past Five Years:**

Reitmans (Canada) Limited	2008 – present
Noranda Income Fund	2010 – present
Accord Financial Corp.	2013 – present

Board/Committee Memberships

- Board of Directors
- Audit Committee (Chair)

Attendance

8/8 (100.0%)
4/4 (100.0%)
Total 12/12 (100.0%)

Value of Total Compensation Received as Director⁽¹⁾

Fiscal year ended February 2, 2014⁽²⁾: \$111,000 **Fiscal year ended February 3, 2013:** \$63,000

Securities Held as at February 2, 2014**As at April 17, 2014**

Common Shares (#)	Market Value of Common Shares ⁽³⁾ (\$)	Options (#)	Value of Vested Options ⁽³⁾ (\$)	Total Market Value of Securities Held ⁽³⁾ (\$)	Total Ownership as Multiple of Retainer ⁽⁴⁾ (Target: 3x annual cash retainer)
52,200	4,384,800	10,000	228,776	4,613,576	97.6x

Options Held as at February 2, 2014⁽⁵⁾

Grant Date	Expiry Date	Options (#)	Exercise Price (\$)	Vested Options (#)	Value of Vested Options ⁽³⁾ (\$)
January 5, 2010	January 5, 2020	2,000	22.42	1,600	98,528
January 5, 2011	January 5, 2021	2,000	28.84	1,200	66,192
January 5, 2012	January 5, 2022	2,000	44.43	800	31,656
January 18, 2012	January 18, 2022	2,000	43.50	800	32,400
April 11, 2013	April 11, 2023	2,000	72.13	0	0

Notes

- The option grants representing director compensation for the fiscal year ended February 3, 2013 were approved on January 18, 2012, prior to the beginning of the relevant fiscal year. As such, the value of the grants was included in the total compensation earned by directors for the fiscal year ended January 29, 2012 as opposed to the fiscal year ended February 3, 2013. The option grants representing director compensation for the fiscal year ended February 2, 2014 were approved on April 11, 2013. Consequently, the value of the grants was included in the compensation for the fiscal year ended February 2, 2014 with the result that no option grants value was included in the total compensation earned by directors for the fiscal year ended February 3, 2013. This timing difference in the annual grant of options explains in large part the apparent increase in director compensation between the fiscal years ended February 3, 2013 and February 2, 2014.
- For further details on director compensation, see "Nominees for Election to the Board of Directors - Director Compensation".
- Based on the closing price of the Common Shares (\$84.00) on January 31, 2014, being the last trading day before the end of the fiscal year ended February 2, 2014.
- Equity ownership was assessed as at April 17, 2014, based on the closing price of the Common Shares (\$88.56) on such date. As a result of the increase of the director annual cash retainer from \$40,000 to \$50,000, effective February 4, 2013, approved in the context of the biennial review of director compensation, the target equity ownership level increased from \$120,000 to \$150,000. For further details on the share ownership guidelines applicable to directors, see "Nominees for Election to the Board of Directors - Director Share Ownership Guidelines".
- Until the end of the fiscal year ended January 29, 2012, option grants to Non-Executive Directors (as hereinafter defined) under the Director Compensation Policy were made on the anniversary date of each director's appointment whereas annual grants are now made on the same date for all Non-Executive Directors. For further details on director compensation, see "Nominees for Election to the Board of Directors - Director Compensation".

HUW THOMAS, FCPA, FCA

Ontario, Canada
Age: 61

Director since 2011
Independent

2013 Annual Meeting of Shareholders Voting Results

	%	#
For:	94.90	58,968,234
Withheld:	5.10	3,169,259

Other Public Company Directorships In the Past Five Years:

Calloway REIT	2011 – present
KP Tissue Inc.	2012 – 2014
Chartwell Master Care Corporation	2012 – present

President & Chief Executive Officer, Calloway Real Estate Investment Trust

Huw Thomas, FCPA, FCA, is a member of the Board of Directors and a member of the Audit Committee and Nominating and Governance Committee. From 1996 to 2010, Mr. Thomas served in various senior financial roles at Canadian Tire Corporation, Limited, including nine years as Chief Financial Officer and, from November 2009 until December 2010, as Executive Vice-President, Financial Strategy and Performance. Effective March 21, 2013, Mr. Thomas was appointed Interim Chief Executive Officer of Calloway Real Estate Investment Trust and transitioned to permanent President and Chief Executive Officer in July 2013. He also serves as a trustee of Calloway Real Estate Investment Trust. In addition, he is a member of the board of directors of Chartwell Master Care Corporation and a trustee of Chartwell Retirement Residences. He holds a Bachelor of Science degree in Economics from the University of London (U.K.), and is a Certified U.K. and Canadian Professional Chartered Accountant.

Board/Committee Memberships

- Board of Directors
- Audit Committee
- Nominating and Governance Committee
- Human Resources and Compensation Committee

Attendance

7/8 (87.5%)
4/4 (100.0%)
2/2 (100.0%)
2/3 (66.7%) ⁽¹⁾
Total
15/17 (88.2%)

Value of Total Compensation Received as Director⁽²⁾

Fiscal year ended February 2, 2014⁽³⁾: \$108,000 Fiscal year ended February 3, 2013: \$61,000

Securities Held as at February 2, 2014**As at April 17, 2014**

Common Shares (#)	Market Value of Common Shares ⁽⁴⁾ (\$)	Options (#)	Value of Vested Options ⁽⁴⁾ (\$)	Total Market Value of Securities Held ⁽⁴⁾ (\$)	Total Ownership as Multiple of Retainer ⁽⁵⁾ (Target: 3x annual cash retainer)
6,200	520,800	6,000	76,320	597,120	13.3x

Options Held as at February 2, 2014⁽⁶⁾

Grant Date	Expiry Date	Options (#)	Exercise Price (\$)	Vested Options (#)	Value of Vested Options ⁽⁴⁾ (\$)
March 24, 2011	March 24, 2021	2,000	29.10	800	43,920
January 18, 2012	January 18, 2022	2,000	43.50	800	32,400
April 11, 2013	April 11, 2023	2,000	72.13	0	0

Notes

- (1) Huw Thomas stepped down from the Human Resources and Compensation Committee, effective September 10, 2013, upon the appointment of Nicholas Nomicos, now considered independent within the meaning of applicable securities regulations, as member of such committee. Mr. Thomas participated in two out of the three meetings of the Human Resources and Compensation Committee held while he was a member of such committee.
- (2) The option grants representing director compensation for the fiscal year ended February 3, 2013 were approved on January 18, 2012, prior to the beginning of the relevant fiscal year. As such, the value of the grants was included in the total compensation earned by directors for the fiscal year ended January 29, 2012 as opposed to the fiscal year ended February 3, 2013. The option grants representing director compensation for the fiscal year ended February 2, 2014 were approved on April 11, 2013. Consequently, the value of the grants was included in the compensation for the fiscal year ended February 2, 2014 with the result that no option grants value was included in the total compensation earned by directors for the fiscal year ended February 3, 2013. This timing difference in the annual grant of options explains in large part the apparent increase in director compensation between the fiscal years ended February 3, 2013 and February 2, 2014.
- (3) For further details on director compensation, see "Nominees for Election to the Board of Directors - Director Compensation".
- (4) Based on the closing price of the Common Shares (\$84.00) on January 31, 2014, being the last trading day before the end of the fiscal year ended February 2, 2014.
- (5) Equity ownership was assessed as at April 17, 2014, based on the closing price of the Common Shares (\$88.56) on such date. As a result of the increase of the director annual cash retainer from \$40,000 to \$50,000, effective February 4, 2013, approved in the context of the biennial review of director compensation, the target equity ownership level increased from \$120,000 to \$150,000. For further details on the share ownership guidelines applicable to directors, see "Nominees for Election to the Board of Directors - Director Share Ownership Guidelines".
- (6) Until the end of the fiscal year ended January 29, 2012, option grants to Non-Executive Directors (as hereinafter defined) under the Director Compensation Policy were made on the anniversary date of each director's appointment whereas annual grants are now made on the same date for all Non-Executive Directors. For further details on director compensation, see "Nominees for Election to the Board of Directors - Director Compensation".

Director Compensation

Each director who is not a member of the management of the Corporation (each a “Non-Executive Director”) is eligible to receive compensation under the Director Compensation Policy. Such Director Compensation Policy is reviewed every two years to determine whether it is aligned with the market and continues to reflect the Corporation’s objectives. A review took place at the beginning of the fiscal year ended February 2, 2014 and amendments approved by the Board of Directors on April 11, 2013 came into effect retroactively to February 4, 2013. The Human Resources and Compensation Committee chose to rely on the knowledge and experience of its members, internal human resources expertise and external market data to conduct the review. Similarly, no external advice was sought to determine directors’ compensation during the previous review. The next review is scheduled to take place during the fiscal year ending January 31, 2016.

For the fiscal year ended February 2, 2014, the compensation of Non-Executive Directors consisted of the following elements: an annual cash retainer of \$50,000 (up from \$40,000 for the fiscal year ended February 3, 2013), 2,000 options to purchase Common Shares as well as a fee of \$1,500 per board meeting attended.

In addition, the independent director acting as chair of the Audit Committee received an additional annual cash retainer of \$12,500 (up from \$10,000 for the fiscal year ended February 3, 2013) whereas the independent directors acting respectively as chair of the Human Resources and Compensation Committee and chair of the Nominating and Governance Committee received an additional annual cash retainer of \$6,000 (up from \$5,000 for the fiscal year ended February 3, 2013). The members of the Audit Committee (other than the chair) also received an additional annual cash retainer of \$5,000. Finally, members of all committees are entitled to receive a fee of \$1,500 per committee meeting attended (up from \$1,000 for the fiscal year ended February 3, 2013).

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

The following table provides information regarding the compensation provided to Non-Executive Directors during the fiscal year ended February 2, 2014.

Name and Principal Position ⁽¹⁾	Fees Earned			Share-Based Awards (\$)	Option-Based Awards ⁽⁴⁾ (\$)	All Other Compensation (\$)	Total Compensation (\$)
	Board Cash Retainer (\$)	Committee Cash Retainer ⁽²⁾ (\$)	Meeting Fees ⁽³⁾ (\$)				
Joshua Bekenstein ⁽⁵⁾⁽⁶⁾ ...	50,000	6,000	22,500	—	30,500	—	109,000
Gregory David	50,000	—	10,500	—	30,500	—	91,000
Stephen Gunn ⁽⁷⁾⁽⁸⁾⁽⁹⁾	50,000	11,000	28,500	—	30,500	—	120,000
Nicholas Nomicos ⁽¹⁰⁾	50,000	—	13,500	—	30,500	—	94,000
Richard G. Roy ⁽⁸⁾	50,000	5,000	18,000	—	30,500	—	103,500
John J. Swidler ⁽¹¹⁾	50,000	12,500	18,000	—	30,500	—	111,000
Huw Thomas ⁽⁶⁾⁽⁸⁾⁽¹²⁾	50,000	5,000	22,500	—	30,500	—	108,000

(1) No compensation is paid to directors who are also members of management, namely Larry Rossy and Neil Rossy, for their services as Chairman of the Board of Directors and director, respectively.

(2) Includes the Committee chair retainer and the Audit Committee member retainer, as applicable.

(3) Includes the Board meeting fees and the Committee meeting fees, as applicable.

(4) Non-Executive Directors are granted options to purchase Common Shares at the time of their appointment and subsequently on an annual basis, as per the terms of the Director Compensation Policy. Since the end of the fiscal year ended January 29, 2012, annual option grants are no longer made on the anniversary date of each Non-Executive Director’s appointment but rather on the same date for all Non-Executive Directors.

The option grants representing director compensation for the fiscal year ended February 3, 2013 were approved on January 18, 2012, prior to the beginning of the relevant fiscal year. As such, the value of the grants was included in the total compensation earned by directors for the fiscal year ended January 29, 2012 as opposed to the fiscal year ended February 3, 2013. The option grants representing director compensation for the fiscal year ended February 2, 2014 were approved on April 11, 2013. Consequently, the value of the grants was included in the compensation for the fiscal year ended February 2, 2014 with the result that no option grants value was included in the total compensation earned by directors for the fiscal year ended February 3, 2013. This timing difference in the annual grant of options explains in large part the apparent increase in director compensation between the fiscal year ended February 3, 2013 (which does not include the value of the January 18, 2012 grant) and the fiscal year ended February 2, 2014 (which includes the value of the April 11, 2013 grant).

The value of the option-based awards approved on April 11, 2013 reflects the estimated fair value of options on the date of grant, being \$15.25 per option. The grant date fair value was estimated using the Black-Scholes option pricing model with the following assumptions: (a) risk-free interest rate of 1.41%; (b) expected life of 6.49 years; (c) expected volatility of 20.07%; and (d) a dividend yield of 0.68%. The Black-Scholes model is used to estimate option fair values because it is the most commonly used share-based award pricing model and is considered to produce a reasonable estimate of fair value. There is no difference between the fair value of the award on the date of grant and the fair value determined in accordance with IFRS 2, Share-based Payment calculated by use of the Black-Scholes option pricing model.

- (5) Chair of the Human Resources and Compensation Committee.
- (6) Member of the Nominating and Governance Committee.
- (7) Lead Director and Chair of the Nominating and Governance Committee.
- (8) Member of the Audit Committee.
- (9) Member of the Human Resources and Compensation Committee.
- (10) Nicholas Nomicos was appointed to the Human Resources and Compensation Committee on September 10, 2013, in replacement of Huw Thomas, and therefore started receiving compensation as a member of such committee as at September 10, 2013.
- (11) Chair of the Audit Committee.
- (12) Huw Thomas stepped down from the Human Resources and Compensation Committee, effective September 10, 2013, upon the appointment of Nicholas Nomicos, now considered independent within the meaning of applicable securities regulations, as member of such committee.

The following table summarizes the number of options granted to Non-Executive Directors that are outstanding under the Plan (as hereinafter defined) at the end of the fiscal year ended February 2, 2014.

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options ⁽¹⁾ (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options ⁽²⁾ (\$)	Number of Shares or Units of Shares that have not Vested (#)	Market or Payout Value of Share-Based Awards that have not Vested (\$)	Market or Payout Value of Vested Share-Based Awards not Paid out or Distributed (\$)
Joshua Bekenstein.....	2,000	43.50	January 18, 2022	81,000	—	—	—
	2,000	72.13	April 11, 2023	23,740	—	—	—
Gregory David.....	2,000	17.50	October 16, 2019	133,000	—	—	—
	2,000	26.55	October 16, 2020	114,900	—	—	—
	2,000	37.77	October 16, 2021	92,460	—	—	—
	2,000	43.50	January 18, 2022	81,000	—	—	—
	2,000	72.13	April 11, 2023	23,740	—	—	—
Stephen Gunn.....	2,000	17.50	October 16, 2019	133,000	—	—	—
	2,000	26.55	October 16, 2020	114,900	—	—	—
	2,000	37.77	October 16, 2021	92,460	—	—	—
	2,000	43.50	January 18, 2022	81,000	—	—	—
	2,000	72.13	April 11, 2023	23,740	—	—	—
Nicholas Nomicos.....	2,000	43.50	January 18, 2022	81,000	—	—	—
	2,000	72.13	April 11, 2023	23,740	—	—	—
Richard G. Roy.....	2,000	63.90	October 11, 2022	40,200	—	—	—
	2,000	72.13	April 11, 2023	23,740	—	—	—

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options ⁽¹⁾ (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options ⁽²⁾ (\$)	Number of Shares or Units of Shares that have not Vested (#)	Market or Payout Value of Share-Based Awards that have not Vested (\$)	Market or Payout Value of Vested Share-Based Awards not Paid out or Distributed (\$)
John J. Swidler.....	2,000	22.42	January 5, 2020	123,160	—	—	—
	2,000	28.84	January 5, 2021	110,320	—	—	—
	2,000	44.43	January 5, 2022	79,140	—	—	—
	2,000	43.50	January 18, 2022	81,000	—	—	—
	2,000	72.13	April 11, 2023	23,740	—	—	—
Huw Thomas.....	2,000	29.10	March 24, 2021	109,800	—	—	—
	2,000	43.50	January 18, 2022	81,000	—	—	—
	2,000	72.13	April 11, 2023	23,740	—	—	—

(1) Until the end of the fiscal year ended January 29, 2012, option grants to Non-Executive Directors under the Director Compensation Policy were made upon appointment of a director and on the anniversary date of each director's appointment, whereas annual grants are now made on the same date for all Non-Executive Directors. For further details on director compensation, see "Nominees for Election to the Board of Directors - Director Compensation".

(2) Based on the closing price of the Common Shares (\$84.00) on January 31, 2014, being the last trading day before the end of the fiscal year ended February 2, 2014. Includes the value of both vested and unvested options.

The following table provides a summary of the value of option-based and share-based awards vested or of non-equity incentive plan compensation earned by Non-Executive Directors during the fiscal year ended February 2, 2014.

Name	Option-Based Awards – Value Vested During the Fiscal Year ⁽¹⁾ (\$)	Share-Based Awards – Value Vested During the Fiscal Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Fiscal Year (\$)
Joshua Bekenstein.....	15,696	—	—
Gregory David.....	87,488	—	—
Stephen Gunn.....	87,488	—	—
Nicholas Nomicos.....	15,696	—	—
Richard G. Roy.....	8,612	—	—
John J. Swidler.....	82,360	—	—
Huw Thomas.....	28,548	—	—

(1) Calculated as the difference between the market price of the Common Shares on the date of vesting and the exercise price payable in order to exercise the options.

Director Share Ownership Guidelines

On April 10, 2012, upon recommendation of the Nominating and Governance Committee, the Board of Directors adopted Director Share Ownership Guidelines in order to better align directors' interests with shareholders' interests. Under such guidelines, each Non-Executive Director is required to accumulate at least three times the value of the director annual cash retainer (currently \$50,000, following a \$10,000 increase effective February 4, 2013) for a total value of \$150,000 in Common Shares and/or unexercised vested options within five years following the later of (i) such director's election or appointment to the Board of Directors and (ii) April 10, 2012. See "Nominees for Election to the Board of Directors - Description of Proposed Director Nominees" for information concerning the individual holdings of the director nominees and their level of attainment of the Director

Share Ownership Guidelines. Directors who have not already attained the required level of ownership under the Director Share Ownership Guidelines have until April 10, 2017 to reach such level.

Each Non-Executive Director is required to continue to hold such value in Common Shares and/or unexercised vested options throughout the remainder of his tenure as director.

The Director Share Ownership Guidelines also prohibit directors from entering into any transaction that would operate as a hedge against such director's ownership position.

Cease Trade Orders or Bankruptcies

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

- (a) is, as at the date of this Circular, or was, within the 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that,
 - (i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
 - (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) is, as at the date of this Circular, or has been within the 10 years before the date of this Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

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, that was in effect for a period of more than 30 consecutive days.

Penalties or Sanctions

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

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

COMPENSATION DISCUSSION AND ANALYSIS

The following discussion describes the significant elements of the Executive Officer Compensation Policy, with particular emphasis on the process for determining compensation payable to named executive officers (“NEOs”), being (i) the chief executive officer, (ii) the chief financial officer, (iii) each of the three most highly compensated executive officers of the Corporation, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the chief executive officer and the chief financial officer, and (iv) each individual who would have been an NEO but for the fact that such individual was neither an executive officer of the Corporation or its subsidiaries nor acting in a similar capacity at the end of the fiscal year ended February 2, 2014.

The NEOs are:

- Larry Rossy, Chief Executive Officer (“CEO”);
- Michael Ross, FCPA, FCA, Chief Financial Officer (“CFO”) and Secretary;
- Stéphane Gonthier, former Chief Operating Officer (“COO”);
- Neil Rossy, Chief Merchandising Officer (“CMO”);
- Geoffrey Robillard, Senior Vice President, Import Division; and
- John Assaly, Vice President, Global Procurement.

Compensation Objectives

The Corporation’s Executive Officer Compensation Policy is administered by the Human Resources and Compensation Committee, which makes recommendations to the Board of Directors. The compensation policy is designed to attract and retain highly qualified executive officers, to motivate and reward them for their performance and contribution to the long-term success of the Corporation, and to align the interests of the executive officers with those of the Corporation’s shareholders. The Board of Directors thereby seeks to compensate the executive officers by combining short and long-term cash compensation with long-term equity incentives. Accordingly, a significant portion of the executive officers’ compensation is based upon the Corporation’s success in meeting an aggressive corporate performance goal which would typically favourably impact the Corporation’s share price.

The Corporation has established a pay-for-performance compensation strategy for its executive officers which is weighted toward performance-driven variable compensation. While the Corporation provides competitive base salaries, a significant portion of the overall compensation package is awarded based on the Corporation’s performance.

Annual Compensation Review Process

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

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

Compensation Consulting Services

During the fiscal year ended February 3, 2013, the Corporation retained the services of two consulting firms, namely AON Hewitt, formerly Hewitt Associates (“Aon”) and Mercer (Canada) Limited (“Mercer”). Aon and Mercer were asked to provide market intelligence on compensation trends as well as data to help redefine the Comparator Group (as hereinafter defined) and to support the review of executive compensation.

During the fiscal year ended February 2, 2014, the Corporation retained the services of Aon to provide market intelligence and independent advice on executive compensation and related governance issues.

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

Aon was originally retained by the Corporation in 2009. For the fiscal years ended February 2, 2014 and February 3, 2013, the Corporation was billed the following fees for executive compensation-related services and other services provided by Aon:

	Fiscal year ended February 2, 2014	Fiscal year ended February 3, 2013
Executive Compensation-Related Fees.....	\$13,920	\$45,134
All Other Fees ⁽¹⁾	\$6,209	\$55,275
Total Fees Paid	\$20,129	\$100,409

(1) General Canadian retail compensation reporting and support.

For the fiscal year ended February 3, 2013, the Corporation was billed the following fees for executive compensation-related services and other services provided by Mercer:

	Fiscal year ended February 2, 2014	Fiscal year ended February 3, 2013
Executive Compensation-Related Fees.....	-	\$42,737
All Other Fees.....	-	Nil
Total Fees Paid	-	\$42,737

The Human Resources and Compensation Committee has the discretion to retain, at the Corporation’s expense, independent counsel or consultants to advise members on questions concerning executive and/or director compensation. For the fiscal years ended February 2, 2014 and February 3, 2013, the Human Resources and Compensation Committee chose to rely on the knowledge and experience of its members, internal human resources expertise, external market data and recommendations of the CEO to set appropriate levels of compensation for the senior officers.

Aon and Mercer do not provide services to the Corporation’s directors or members of management directly.

Comparator Group

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

The companies that comprise the Comparator Group have revenues comparable to or greater than those of the Corporation and include companies in the retail and distribution industries and companies operating in logistics-intensive sectors. The Corporation also considers growth trajectory and geographical presence in the determination

of its Comparator Group. The selected companies share similar economic and business challenges as the Corporation and are likely to recruit talent from the same pool of candidates as the Corporation, making relative performance and compensation comparisons meaningful.

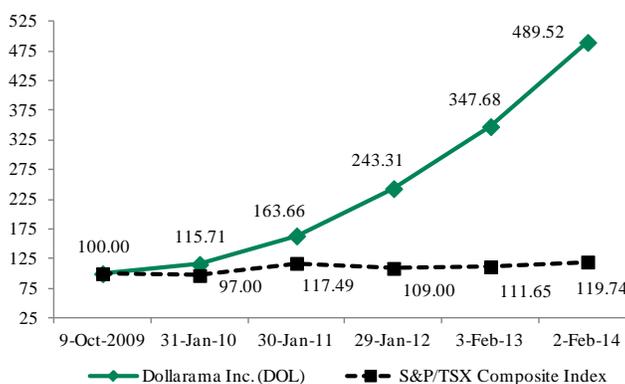
During the fiscal year ended February 3, 2013, the Human Resources and Compensation Committee conducted an in-depth review of the Comparator Group as the first step towards a formal review of all elements of executive compensation. Using criteria such as revenues, assets, market capitalization, EBITDA and the potential competition for talent recruitment, the Human Resources and Compensation Committee, based on data, analysis and recommendations from management, decided to add The North West Company Inc. to the Comparator Group and to remove Uni-Sélect Inc. Going forward, the Human Resources and Compensation Committee will review the composition of the Comparator Group every four years, unless a material change in the Corporation’s profile or in the profile of one or more companies comprising the Comparator Group calls for an earlier review.

The Comparator Group used for the purpose of benchmarking executive compensation awarded for the fiscal year ended February 2, 2014 was composed of the following companies:

Alimentation Couche-Tard Inc.	Metro Inc.	Shoppers Drug Mart Corporation
Canadian Tire Corporation, Limited	Reitmans (Canada) Limited	The Jean Coutu Group (PJC) Inc.
Empire Company Limited (Sobeys Inc.)	RONA inc.	The North West Company Inc.
lululemon athletica, inc.	Sears Canada Inc	Tim Hortons Inc.

Performance Graph

The following graph illustrates the cumulative total shareholder return of a \$100 investment in the Common Shares, with dividend reinvestments, compared to the cumulative return on the S&P/TSX Composite Index for the period beginning on October 9, 2009, being the date on which the Common Shares started trading on the Toronto Stock Exchange (“TSX”), and ended February 2, 2014.



	October 9, 2009	January 31, 2010	January 30, 2011	January 29, 2012	February 3, 2013	February 2, 2014
Dollarama Inc. Common Shares	\$100.00	\$115.71	\$163.66	\$243.31	\$347.68	\$489.52
S&P/TSX Composite Index	\$100.00	\$97.00	\$117.49	\$109.00	\$111.65	\$119.74

The trend shown by the graph represents a marked growth in the cumulative total shareholder return from October 9, 2009 to February 2, 2014, with the Corporation outperforming the S&P/TSX Composite Index consistently over the same period.

Total annual compensation of the five NEOs who were in office at the end of each fiscal year increased by approximately 39% between January 30, 2011 (the Corporation’s first full fiscal year as a public issuer, after

annualization of the base salary and the annual bonus of the CFO for that year) and February 2, 2014, mainly because of the combined effect of base salary increases and option grants made in connection with new hires or promotions and under the Annual Grant Plan (as hereinafter defined). Over the same period, the cumulative total shareholder return of a \$100 investment in the Common Shares, with dividend reinvestments, grew 199%. Based on the foregoing, we believe that there was no disconnect between pay and performance at any time during those years.

During the fiscal year ended February 2, 2014, the Human Resources and Compensation Committee reviewed the overall NEO compensation against the NEO compensation of the companies comprising the Comparator Group, recommended base salary increases and reached the conclusion that, taking into account such increases, the total annual compensation was appropriate, competitive and aligned with the Corporation's performance. Further details regarding total annual NEO compensation components are available in the "Summary Compensation Table" section on page 28 of this Circular.

Compensation Components

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

Base Salary

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

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

At the end of the fiscal year ended February 3, 2013, the Human Resources and Compensation Committee benchmarked the base salary of each of the Corporation's NEOs against base salaries of individuals acting in a similar capacity for companies comprising the newly updated Comparator Group. As a result of that review and in accordance with the strategy to align total executive compensation with comparable positions in the market, base salary adjustments for the fiscal year ended February 2, 2014 were recommended and approved.

Effective February 4, 2013, base salaries were increased as follows: the base salary of Larry Rossy, CEO, went from \$513,500 to \$750,000; the base salary of Michael Ross, FCPA, FCA, CFO and Secretary, went from \$361,402 to \$425,000; and the base salaries of both Neil Rossy and Stéphane Gonthier, respectively CMO and COO, went from \$361,402 to \$500,000. These increases, generally aligned between the 50th and the 75th percentile of corresponding positions in the Comparator Group, reflect the individuals' demonstrated capabilities and are meant to ensure that base salaries are competitive with the market for their respective positions.

Annual Bonus

The Executive Officer Compensation Policy includes eligibility for an annual incentive cash bonus (the "Bonus") for certain members of the management team of the Corporation (the "Bonus Participants"). The employment agreement of each Bonus Participant provides for an annual individual bonus target, established as a

percentage of such Bonus Participant's base salary (the "Target Bonus"). At the end of each fiscal year, the Human Resources and Compensation Committee determines the Bonus to be awarded to each Bonus Participant, subject to final approval by the Board of Directors.

Bonuses allocated are determined by multiplying the Target Bonus of the Bonus Participant by the performance of the Corporation, which is measured against a Bonus EBITDA target (the "Bonus EBITDA Target") (as hereinafter defined) established by the Human Resources and Compensation Committee for the then current fiscal year.

In the case of Larry Rossy, Michael Ross and Neil Rossy, their respective Bonus is based on the following two factors: (i) the Target Bonus and (ii) the Corporation's performance. If the Corporation meets the Bonus EBITDA Target established for the then current fiscal year, the NEO receives 100% of his Target Bonus. If the Corporation's performance is below or exceeds such Bonus EBITDA Target, the Bonus to which the NEO is entitled is established based on a sliding scale, as described below.

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

EBITDA represents operating income, in accordance with generally accepted accounting principles in Canada ("GAAP"), plus amortization and depreciation. EBITDA is not recognized under GAAP. It was selected as the reference metric for establishing annual incentive compensation because the Corporation believes that it is an appropriate measure of its operating performance that highlights trends in the core business that may not otherwise be apparent when relying solely on GAAP measures. Furthermore, the Human Resources and Compensation Committee and the Board of Directors believe that EBITDA is the right metric to reward executive officers of a corporation that is still in a growth phase. Refer to the Management Discussion and Analysis of the Corporation for the year ended February 2, 2014, which is available on SEDAR at www.sedar.com, for a reconciliation of EBITDA to operating income, the most directly comparable GAAP measure.

For the fiscal year ended February 2, 2014, management set an annual EBITDA target for the Corporation and the Human Resources and Compensation Committee then set a higher and more aggressive EBITDA target for the same year specifically for the purpose of determining Bonuses under the Executive Officer Compensation Policy (the "Bonus EBITDA Target"). The Bonus EBITDA Target was designed to be a stretch objective in order to drive sustainable long-term growth of corporate performance. It was set in order to be attainable only with significant effort.

Each year, there is a possibility that payments will not be made at all or will be made at less than 100% of the targeted level. The Human Resources and Compensation Committee has the discretion to exclude certain extraordinary and non-recurring items from the calculation of the EBITDA for the specific purpose of determining Bonuses to be awarded to Bonus Participants if it determines the circumstances so warrant.

As CEO, Mr. Larry Rossy is entitled to a Target Bonus of 110% of his base salary whereas other NEOs are entitled to Target Bonuses ranging from 50% to 75% of their base salaries. These percentages remain unchanged from the fiscal year ended February 3, 2013. The levels of Target Bonus are set to reflect the degree of managerial responsibility of each NEO. In this respect, the Corporation ensures that the executive officers with the greatest potential to impact results have a greater portion of their compensation at risk if the Bonus EBITDA Target is not met, but also have greater potential for reward if such Bonus EBITDA Target is met or surpassed.

The following table describes the key thresholds of the sliding scale used to establish Bonuses to which NEOs were entitled for the fiscal year ended February 2, 2014, based on the percentage of EBITDA growth

compared to the fiscal year ended February 3, 2013. The sliding scale is not capped and the EBITDA growth percentages are identical to those used to establish Bonuses for the fiscal year ended February 3, 2013.

<u>EBITDA Growth</u>	<u>Payout as % of Target Bonus</u>
< 4.7%	0%
13.2%	100%
21.8%	200%
30.3%	300%

The EBITDA for the fiscal year ended February 2, 2014 grew 11.78% compared to the previous fiscal year. Consequently, NEOs received Bonuses representing 85.0% of their respective Target Bonus.

Long-Term Equity Incentives

The management option plan of the Corporation adopted on October 16, 2009 (the “Plan”) allows the Corporation the opportunity to grant options to purchase Common Shares to its executive officers. The Human Resources and Compensation Committee believes that equity-based awards allow the Corporation to reward executive officers for their sustained contributions to the Corporation. Equity-based awards also reward continued employment by an executive officer, with an associated benefit to the Corporation of employee continuity and retention. The Human Resources and Compensation Committee further believes that incentive share options provide management with a strong link to long-term corporate performance and the creation of shareholder value.

On June 8, 2011, the Board of Directors approved an annual option grant plan (the “Annual Grant Plan”) which provides guidelines for annual grants of options to NEOs and members of the senior management team. The Board of Directors also approved a maximum number of options that may be granted by the Human Resources and Compensation Committee pursuant to the Annual Grant Plan, which corresponded to the maximum number of Common Shares reserved for issuance under the Plan as at June 8, 2011, being 3,947,567 Common Shares, and delegated to such committee the power to administer and modify, from time to time, the Annual Grant Plan and grant options on an annual basis in accordance with the terms thereof. The first grants under the Annual Grant Plan were made on January 18, 2012. As at April 17, 2014, a total of 2,796,567 Common Shares remained issuable under the Plan.

Option grants approved on January 18, 2012 were meant to be part of the overall compensation of executive officers for the fiscal year ended February 3, 2013. However, given the timing of the approval, their value was included in the total compensation earned by executive officers for the fiscal year ended January 29, 2012. Option grants approved on April 11, 2013 were part of the overall compensation of executive officers for the fiscal year ended February 2, 2014 and are included in the total compensation earned by executive officers for such fiscal year. As such, no value for option grants was included in the fiscal year ended February 3, 2013. This timing difference in the annual grant of options explains in large part the apparent increase in the long-term equity incentive compensation awarded to NEOs between the fiscal year ended February 3, 2013 (which does not include the value of the January 18, 2012 grant) and the fiscal year ended February 2, 2014 (which includes the value of the April 11, 2013 grant).

When considering new grants of options, the Human Resources and Compensation Committee takes into account a range of factors, including without limitation the individual’s position, scope and breadth of role and responsibility, his/her ability to affect profits and the value of previous awards, the whole in relation to other components of the executive officer’s total compensation. See “Compensation Discussion and Analysis - Management Option Plan”.

Executive Share Ownership Guidelines

On April 10, 2012, upon recommendation of the Nominating and Governance Committee, the Board of Directors adopted Executive Share Ownership Guidelines applicable to NEOs in order to ensure that their interests remain aligned with shareholders' interests and demonstrate that NEOs are financially committed to the Corporation through personal equity ownership. Within five years following the later of (i) an officer's appointment as NEO and (ii) April 10, 2012, each NEO is expected to accumulate Common Shares and/or unexercised vested options equal to a multiple of his annual salary.

The following table sets forth the compliance by each NEO with the Executive Share Ownership Guidelines as at the date hereof. Stéphane Gonthier is not included in the table below due to his resignation from the Corporation, effective September 3, 2013.

		Equity Ownership as at April 17, 2014						
NEO	Guideline	Common Shares (#)	Market Value of Common Shares ⁽¹⁾ (\$)	Options ⁽²⁾ (#)	Unexercised Vested Options (#)	Value of Vested In-the-Money Options (\$)	Total Value of Equity Ownership (\$)	Total Ownership as Multiple of Base Salary
Larry Rossy.....	3x	4,407,230	390,304,289	250,000	50,000	1,394,100	391,698,389	522.3x
Michael Ross, FCPA, FCA ...	1.5x	—	—	170,000	22,000	590,500	590,500	1.4x
Neil Rossy.....	1.5x	632,344	56,000,385	110,000	22,000	590,500	56,590,885	113.2x
Geoffrey Robillard	1.5x	450,000	39,852,000	—	—	—	39,852,000	19.9x
John Assaly.....	1.5x	—	—	63,000	3,200	86,932	86,932	0.3x

(1) Based on the closing price of the Common Shares (\$88.56) on April 17, 2014.

(2) Including option grants comprising executive compensation for the fiscal year ending February 1, 2015, which were approved on April 8, 2014, will be priced at the close of markets on April 21, 2014, based on the volume-weighted average trading price of the Common Shares on the TSX for the five trading day period following the last day of the Corporation's black-out period, and will be included in the "Summary Compensation Table" of the Corporation's 2015 management proxy circular.

Compliance with the Executive Share Ownership Guidelines is reviewed annually by the Nominating and Governance Committee. Michael Ross and John Assaly have until April 10, 2017 and January 1, 2019, respectively, to reach the required level of ownership. All other NEOs were in compliance with the Executive Share Ownership Guidelines as at April 17, 2014.

Executive Share Ownership Guidelines also prohibit NEOs from entering into any transaction that would operate as a hedge against such officer's ownership position.

Executive Compensation Clawback Policy

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

- the performance-based incentive compensation was based on the achievement of certain financial results that were subsequently restated;
- the executive officer engaged in intentional misconduct or fraud that caused or partially caused the need for the restatement; and

- the amount of performance-based incentive compensation that would have been awarded to the executive officer would have been lower had the financial results been properly reported.

Compensation Risk Management

In accordance with its mandate, the Human Resources and Compensation Committee reviewed the Corporation's Executive Officer Compensation Policy for the year ended February 2, 2014 to determine whether it created or incentivized any inappropriate or excessive risk-taking by executive officers.

The Human Resources and Compensation Committee reviewed the list of elements identified in the course of its review at the end of the fiscal year ended February 3, 2013, and confirmed that the elements listed below were relevant and adequate, in its opinion, as at the end of the fiscal year ended February 2, 2014, to (i) mitigate any incentives to take excessive risks and (ii) increase long-term value:

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

As mentioned earlier, incentive compensation is awarded based on the level of attainment of the Bonus EBITDA Target established by the Human Resources and Compensation Committee at the beginning of the fiscal year. Neither the Human Resources and Compensation Committee nor the Board of Directors will exercise discretion, either to award compensation absent attainment of the relevant performance goal or to reduce or increase the size of any award or payout, except in very exceptional and unforeseen circumstances.

Following its annual risk evaluation, the Human Resources and Compensation Committee concluded that the Executive Officer Compensation Policy is designed and administered with the appropriate balance of risk and reward, does not encourage executive officers to take inappropriate or excessive risks, does not create risks that are

reasonably likely to have a material adverse effect on the Corporation and ultimately contributes to align the interests of executive officers, the Corporation and the shareholders.

Summary Compensation Table

The following table sets out information concerning the compensation paid by the Corporation to the NEOs for the fiscal years ended February 2, 2014, February 3, 2013 and January 29, 2012.

Name and Principal Position	Fiscal Year Ended	Base Salary (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation	Pension Value (\$)	All Other Compensation ⁽¹²⁾ (\$)	Total Compensation (\$)
					Annual Incentive Plan ⁽¹⁰⁾ (\$)			
Larry Rossy CEO	February 2, 2014	750,000	—	2,287,500 ⁽⁴⁾	701,250	1,815	—	3,740,565
	February 3, 2013	513,500	—	— ⁽⁵⁾	1,140,997	3,000	—	1,657,497 ⁽⁵⁾
	January 29, 2012	500,000	—	515,360 ⁽⁶⁾	1,375,000	3,000	—	2,393,360
Michael Ross, FCPA FCA..... CFO and Secretary	February 2, 2014	425,000	—	1,067,500 ⁽⁴⁾	270,938	3,147	—	1,766,585
	February 3, 2013	361,402	—	— ⁽⁵⁾	547,524	3,000	—	911,926 ⁽⁵⁾
	January 29, 2012	351,900	—	206,144 ⁽⁶⁾ 174,606 ⁽⁷⁾	659,813	3,000	—	1,395,463
Stéphane Gonthier Former COO ⁽¹⁾	February 2, 2014	346,154 ⁽³⁾	—	— ⁽⁸⁾	— ⁽¹¹⁾	2,166	—	348,320
	February 3, 2013	361,402	—	— ⁽⁵⁾	547,524	3,000	—	911,926 ⁽⁵⁾
	January 29, 2012	351,900	—	206,144 ⁽⁶⁾⁽⁸⁾	659,813	3,000	—	1,220,857
Neil Rossy CMO	February 2, 2014	500,000	—	1,067,500 ⁽⁴⁾	318,750	3,320	—	1,889,570
	February 3, 2013	361,402	—	— ⁽⁵⁾	547,524	3,000	—	911,926 ⁽⁵⁾
	January 29, 2012	351,900	—	206,144 ⁽⁶⁾	659,813	3,000	—	1,220,857
Geoffrey Robillard..... Senior Vice President, Import Division	February 2, 2014	2,000,000	—	—	1,000,000	3,000	—	3,003,000
	February 3, 2013	2,000,000	—	—	1,000,000	3,000	—	3,003,000
	January 29, 2012	2,000,000	—	—	1,000,000	3,000	—	3,003,000
John Assaly Vice President, Global Procurement ⁽²⁾	February 2, 2014	300,000	—	152,500 ⁽⁴⁾ 963,000 ⁽⁹⁾	138,750	3,000	—	1,557,250
	February 3, 2013	258,000	—	— ⁽⁵⁾	260,580	3,000	—	521,580 ⁽⁵⁾
	January 29, 2012	258,000	—	30,930 ⁽⁶⁾	322,500	3,000	—	614,430

- (1) Johanne Choinière was appointed Chief Operating Officer of the Corporation, effective May 12, 2014. Johanne Choinière succeeds Stéphane Gonthier whose resignation was announced in August 2013. On April 11, 2014, the Corporation entered into an employment agreement, effective May 12, 2014, and two option agreements with Ms. Choinière, which provide for a base salary of \$475,000, an annual bonus with a target of 75% of the base salary set against the achievement of certain corporate performance metrics, an option to purchase 107,000 Common Shares at an exercise price of \$88.78 granted in connection with the appointment and employment with the Corporation as Chief Operating Officer, an option to purchase 20,000 Common Shares at an exercise price of \$88.78 granted under the Annual Grant Plan as well as a one-time signing and retention bonus payment of \$50,000, of which \$25,000 is payable on the effective date of May 12, 2014 and \$25,000 is payable on or about the first year anniversary of the effective date of May 12, 2014, provided she is still employed by the Corporation on the date of payment. See “Compensation Discussion and Analysis - Termination and Change of Control Benefits.”
- (2) John Assaly has been working with the Rossy family for more than 35 years and joined Dollarama at its inception in 1992 as a senior buyer. More recently, M. Assaly was named Vice President, Global Procurement, in charge of creating and managing strategic supplier relationships worldwide in order to continuously improve the Corporation’s product offering.
- (3) Represents the base salary received by Stéphane Gonthier in his capacity as COO during the fiscal year ended February 2, 2014.
- (4) Options to purchase Common Shares were granted to Michael Ross, FCPA, FCA, Larry Rossy, Neil Rossy and John Assaly on April 11, 2013 under the Annual Grant Plan. The value indicated in the table above reflects the estimated fair value of the options on the date of grant, being \$15.25 per option. It does not represent cash received by the optionees, and the actual value realized upon the future vesting and payment of such options may be greater or less than the grant date fair value indicated in the table above. The grant date fair value of the options was estimated using the Black-Scholes option pricing model with the following assumptions: (a) risk-free interest rate of 1.41%; (b) expected life of 6.49 years; (c) expected volatility of 20.07%; and (d) a dividend yield of 0.68%. The Black-Scholes model is used to estimate option fair values because it is the most commonly used share-based award pricing model and is considered to produce a reasonable estimate of fair value. There is no difference between the fair value of the award on the date of grant and the fair value determined in accordance with IFRS 2, Share-based Payment calculated by use of the Black-Scholes option pricing model.
- (5) The option grants representing the long-term equity incentive portion of the overall compensation for executive officers for the fiscal year ended February 3, 2013 were approved on January 18, 2012, prior to the beginning of the relevant fiscal year. As such, the value of the grants was included in the total compensation earned by executive officers for the fiscal year ended January 29, 2012 as opposed to the fiscal year ended February 3, 2013. The option grants representing the long-term equity incentive portion of the overall compensation for executive officers for the fiscal year ended February 2, 2014 were approved on April 11, 2013. Consequently, the value of such grants was included in the total compensation earned by executive officers for the fiscal year ended February 2, 2014 with the result that no option grants value was included in the total compensation earned by executive officers for the fiscal year ended February 3, 2013. This timing difference in the annual grant of options explains in large part the apparent increase in the long-term incentive compensation awarded to NEOs between the fiscal years ended February 3, 2013 and February 2, 2014.
- (6) Options to purchase Common Shares were granted to Michael Ross, FCPA, FCA, Stéphane Gonthier, Larry Rossy, Neil Rossy and John Assaly on January 18, 2012 under the Annual Grant Plan. The value indicated in the table above reflects the estimated fair value of the options on the date of grant, being \$10.3072 per option. It does not represent cash received by the optionees, and the actual value realized upon the future vesting and payment of such options may be greater or less than the grant date fair value indicated in the table above. The fair value of the options was estimated using the Black-Scholes option pricing model with the following assumptions: (a) risk-free interest rate of 3.00%; (b) expected life of six (6) years; (c) expected volatility of 20.02%; and (d) a dividend yield of 0.83%. The Black-Scholes model is used to estimate option fair values because it is the most commonly used share-based award pricing model and is considered to produce a reasonable estimate of fair value. There is no difference between the fair value of the award on the date of grant and the fair value determined in accordance with IFRS 2, Share-based Payment calculated by use of the Black-Scholes option pricing model.
- (7) 20,000 options to purchase Common Shares were granted to Michael Ross, FCPA, FCA, on April 21, 2011 under the Plan. The value indicated in the table above reflects the estimated fair value of the options on the date of grant, being \$8.7303 per option. It does not represent cash received by Michael Ross, FCPA, FCA, and the actual value realized upon the future vesting and payment of such options may be greater or less than the grant date fair value indicated in the table above. The fair value of the options was estimated using the Black-Scholes option pricing model with the following assumptions: (a) risk-free interest rate of 3.00%; (b) expected life of six (6) years; (c) expected volatility of 22.82%; and (d) no expected dividend payments. The Black-Scholes model is used to estimate option fair values because it is the most commonly used share-based award pricing model and is considered to produce a reasonable estimate of fair value. There is no difference between the fair value of the award on the date of grant and the fair value determined in accordance with IFRS 2, Share-based Payment calculated by use of the Black-Scholes option pricing model.
- (8) As per the terms of the Plan, where an optionee’s term of office terminates by reason of voluntary resignation, any options held by the optionee on his last day with the Corporation immediately expire and are cancelled. Accordingly, all unvested options held by Stéphane Gonthier were cancelled immediately upon his resignation.
- (9) 50,000 options to purchase Common Shares were granted to John Assaly on September 10, 2013 under the Plan, in recognition of his scope of responsibility and accountability and his increased contribution to the success of the Corporation. The value indicated in the table above reflects the estimated fair value of the options on the date of grant, being \$19.26 per option. It does not represent cash received by John Assaly, and the actual value realized upon the future vesting and payment of such options may be greater or less than the grant date fair value indicated in the table above. The fair value of the options was estimated using the Black-Scholes option pricing model with the following assumptions: (a) risk-free interest rate of 2.35%; (b) expected life of 6.44 years; (c) expected volatility of 20.4%; and (d) a dividend yield of 0.76%. The Black-Scholes model is used to estimate option fair values because it is the most commonly used share-based award pricing model and is considered to produce a reasonable estimate of fair value. There is no difference between the fair value of the award on the date of grant and the fair value determined in accordance with IFRS 2, Share-based Payment calculated by use of the Black-Scholes option pricing model.
- (10) This column lists the annual incentive cash bonus awarded to each NEO for the services rendered in the reporting fiscal year, which annual incentive cash bonus was paid in the fiscal year following the reporting fiscal year.
- (11) As Stéphane Gonthier resigned from the Corporation, effective September 3, 2013, he did not receive a bonus under the Corporation’s annual incentive plan for the fiscal year ended February 2, 2014.
- (12) For the fiscal years ended February 2, 2014, February 3, 2013 and January 29, 2012, none of the NEOs were entitled to perquisites or other personal benefits which, in the aggregate, represented over \$50,000 or over 10% of their total salary.

Management Option Plan

Under the Plan, options may be granted to the Corporation's employees, officers and directors. A total of 7,269,193 Common Shares were set aside and reserved for allotment for the purpose of the Plan (the "Total Reserve").

As at April 17, 2014, an aggregate of 4,472,626 options had been issued under the Plan, of which 1,068,474 remained outstanding, representing 1.57% of the issued and outstanding Common Shares on a non-diluted basis. As at such date, a total of 2,796,567 options remained issuable under the Plan, representing 4.12% of the issued and outstanding Common Shares on a non-diluted basis.

The Plan is administered by the Human Resources and Compensation Committee, which approves on an annual basis option grants under the Plan and the Annual Grant Plan, in the context of the Corporation's overall executive compensation program and its incentive and retention objectives previously described. The following discussion is qualified in its entirety by the text of the Plan, which can be found on SEDAR at www.sedar.com.

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

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

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

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

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

The Board of Directors may advance the date on which any option may be exercised notwithstanding the vesting schedule set forth in such option, regardless of any adverse or potentially adverse tax consequences resulting from such acceleration or, subject to applicable regulatory provisions and shareholder approval, extend the exercise

period of any option, provided that the period during which an option is exercisable does not exceed 10 years from the date such option is granted or such later date as provided under the Plan in case of an extension due to a black-out period.

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

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

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

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

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

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

The Board of Directors may amend the Plan or any option at any time without the consent of the optionees provided that such amendment shall (i) not adversely alter or impair any option previously granted except as permitted pursuant to certain adjustments as provided under the Plan, (ii) be subject to any regulatory approvals including, where required, the approval of the TSX, and (iii) be subject to shareholder approval, where required, by law or the requirements of the TSX, provided however that shareholder approval shall not be required for the following amendments and the Board of Directors may make any changes which may include but are not limited to:

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

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

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

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

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

Incentive Plan Awards

Outstanding Option-Based Awards and Share-Based Awards

The following table summarizes for each NEO the number of options outstanding under the Plan at the end of the fiscal year ended February 2, 2014.

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options ⁽¹⁾ (\$)	Number of Shares or Units of Shares that have not Vested (#)	Market or Payout Value of Share-Based Awards that have not Vested (\$)	Market or Payout Value of Vested Share-Based Awards not Paid out or Distributed (\$)
Larry Rossy	50,000	43.50	January 18, 2022	2,025,000	—	—	—
CEO	150,000	72.13	April 11, 2023	1,780,500	—	—	—
Michael Ross, FCPA, FCA...	40,000 ⁽²⁾	24.51	March 18, 2020	2,379,600	—	—	—
CFO and Secretary	20,000 ⁽³⁾	29.65	April 21, 2021	1,087,000	—	—	—
	20,000	43.50	January 18, 2022	810,000	—	—	—
	70,000	72.13	April 11, 2023	830,900	—	—	—
Stéphane Gonthier ⁽⁴⁾⁽⁵⁾ ...	—	—	—	—	—	—	—
Former COO					—	—	—
Neil Rossy	20,000	43.50	January 18, 2022	810,000	—	—	—
CMO	70,000	72.13	April 11, 2023	830,900	—	—	—
Geoffrey Robillard	—	—	—	—	—	—	—
Senior Vice President, Import Division							
John Assaly	3,000	43.50	January 18, 2022	121,500	—	—	—
Vice President, Global Procurement	10,000	72.13	April 11, 2023	118,700	—	—	—
	50,000 ⁽⁶⁾	81.94	September 10, 2023	103,000	—	—	—

(1) Based on the closing price of the Common Shares (\$84.00) on January 31, 2014, being the last trading day before the end of the fiscal year ended February 2, 2014.

(2) On March 18, 2010, the Corporation entered into an employment agreement, effective April 12, 2010, and an option agreement with Michael Ross, FCPA, FCA, whereby the Corporation granted to Michael Ross, FCPA, FCA, options to purchase 100,000 Common Shares (the "Ross Options") at an exercise price of \$24.51 per option, concurrently with his appointment and employment with the Corporation as CFO and Secretary. The Ross Options have a term of 10 years from the date of the grant. The Ross Options vest and become exercisable in equal (20%) instalments on the first, second, third, fourth and fifth anniversaries of the date of the grant. Of the 100,000 Ross Options granted on March 18, 2010, 30,000 were exercised on September 20, 2012, 30,000 were exercised on April 17, 2013 and 20,000 were exercised on April 15, 2014. As at April 17, 2014, the Common Shares relating to the outstanding Ross Options represented 0.03% of the aggregate number of issued and outstanding Common Shares, on a non-diluted basis. The other terms and conditions relating to the exercise of the Ross Options are governed by the provisions of the Plan.

(3) On April 21, 2011, the Corporation granted to Michael Ross, FCPA, FCA, options to purchase 20,000 Common Shares at an exercise price of \$29.65 per option. These options are governed by the provisions of the Plan.

(4) As per the terms of the Plan, all unvested options held by Stéphane Gonthier were cancelled immediately upon his resignation on September 3, 2013.

(5) On April 11, 2014, the Corporation entered into an employment agreement, effective May 12, 2014, and an option agreement with Johanne Choinière whereby the Corporation granted to her an option to purchase 107,000 Common Shares (the "Choinière Options") at an exercise price of \$88.78, concurrently with the appointment and employment with the Corporation as Chief Operating Officer. The Choinière Options have a term of 10 years from the date of the grant and will vest and become exercisable in equal installments on the first, second, third, fourth and fifth anniversaries of the date of the grant. As at April 17, 2014, the Common Shares relating to the Choinière Options represented 0.16% of the aggregate number of issued and outstanding Common Shares, on a non-diluted basis. The other terms and conditions relating to the exercise of the Choinière Options shall be governed by the provisions of the Plan. On April 11, 2014, the Corporation also entered into a second option agreement with Johanne Choinière whereby the Corporation granted to her an option to purchase 20,000 Common Shares at an exercise price of \$88.78 under the Corporation's Annual Grant Plan.

(6) On September 10, 2013, the Corporation granted to John Assaly options to purchase 50,000 Common Shares at an exercise price of \$81.94 per option, in recognition of his scope of responsibility and accountability and his increased contribution to the success of the Corporation. These options are governed by the provisions of the Plan.

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

The following table provides a summary of the value of option-based and share-based awards vested or of non-equity incentive plan compensation earned during the Corporation’s fiscal year ended February 2, 2014.

Name	Option-Based Awards – Value Vested During the Fiscal Year ⁽¹⁾ (\$)	Share-Based Awards – Value Vested During the Fiscal Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Fiscal Year (\$)
Larry Rossy..... CEO	392,400	—	701,250
Michael Ross, FCPA, FCA..... CFO and Secretary	1,069,400	—	270,938
Stéphane Gonthier..... Former COO	— ⁽²⁾	—	—
Neil Rossy..... CMO	156,960	—	318,750
Geoffrey Robillard..... Senior Vice President, Import Division	—	—	1,000,000
John Assaly..... Vice President, Global Procurement	23,544	—	138,750

(1) Calculated as the difference between the market price of the Common Shares on the date of vesting and the exercise price payable in order to exercise the options.

(2) A 20% tranche of the options granted to Stéphane Gonthier on January 18, 2012 would have vested on January 18, 2014 had they still been outstanding on that vesting date. However, as per the terms of the Plan, all unvested options held by Stéphane Gonthier were cancelled immediately upon his resignation on September 3, 2013.

Termination and Change of Control Benefits

Each of Larry Rossy, Michael Ross, FCPA, FCA, Neil Rossy, Geoffrey Robillard and Johanne Choinière entered into an executive employment agreement with Dollarama L.P., the entity that operates the Dollarama business. These agreements provide for, among other things, the continuation of the executives’ employment for an indeterminate term in accordance with applicable law, as well as their base salary and bonus entitlement in the event of termination without cause or constructive termination. The Corporation does not have a contractual arrangement or other agreements in place with John Assaly in connection with termination without cause or constructive termination.

The employment agreements provide that Dollarama L.P. may terminate the employment of Larry Rossy, Michael Ross, FCPA, FCA, Neil Rossy and Johanne Choinière without cause, by providing each of them with a written notice of termination of employment of 24 months or termination pay in lieu of notice representing the executive’s base salary for 24 months, payable by way of salary continuance or in a lump sum payment, at the sole discretion of Dollarama L.P.

The agreements also provide that in the event of the constructive termination of Larry Rossy, Michael Ross, FCPA, FCA, Neil Rossy or Johanne Choinière, Dollarama L.P. shall pay to the executive a payment representing the executive’s base salary for 24 months, payable by way of salary continuance or in a lump sum payment, at the sole discretion of Dollarama L.P.

The employment agreement of Geoffrey Robillard provides that, in the event his employment is terminated by Dollarama L.P. without cause, or in the event of constructive termination, Dollarama L.P. shall pay to Mr. Robillard an aggregate amount of \$1,000,000 as an indemnity of termination, payable over a period of three years in equal quarterly instalments.

Larry Rossy, Michael Ross, FCPA, FCA, Neil Rossy, Geoffrey Robillard and Johanne Choinière are also entitled to receive, in the event of a termination without cause or constructive termination, the portion of the annual bonus earned for the fiscal year in which the date of termination occurs, prorated for the time of the NEO's employment during the relevant fiscal year. These termination payments are conditional upon the executive (i) continuing to fulfill the remainder of his contractual obligations towards Dollarama L.P. and (ii) signing a release of any and all claims related to his employment or the termination thereof. Under their respective employment agreements and assuming that the termination without cause or constructive termination occurred on January 31, 2014, the last business day of the Corporation's fiscal year ended February 2, 2014, the NEOs would be entitled to receive potential incremental payouts representing approximately \$2,201,250 for Larry Rossy, \$1,120,938 for Michael Ross, FCPA, FCA, \$1,318,750 for Neil Rossy and \$4,000,000 for Geoffrey Robillard. Johanne Choinière was not an employee of the Corporation as at January 31, 2014.

Upon termination without cause or constructive termination, the vested options held by an NEO at the date of termination continue to be exercisable by the NEO until the earlier of (i) the date that is 30 days after the date of termination and (ii) the date which is ten (10) years from the date of the grant. Assuming that the termination occurred on January 31, 2014, the last business day of the Corporation's fiscal year ended February 2, 2014, the NEOs would be entitled to receive, upon exercise of their options, amounts representing \$810,000 for Larry Rossy, \$758,800 for Michael Ross, FCPA, FCA and \$324,000 for Neil Rossy. Geoffrey Robillard did not hold any options as at January 31, 2014 and Johanne Choinière was not an employee of the Corporation as at January 31, 2014.

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

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

Stéphane Gonthier resigned from the Corporation, effective September 3, 2013. Consequently, as per the terms of his employment agreement and the terms and conditions of the Plan, no bonus was paid to him under the Corporation's annual incentive plan for the fiscal year ended February 2, 2014 and all unvested options held by him were cancelled immediately upon his resignation. Vested options were exercisable until September 27, 2013, the Corporation being in a self-imposed trading black-out period on the date of his resignation. The Plan specifically provides that, in such circumstances, vested options may be exercised up to the 10th business day after the end of the black-out period. Finally, Stéphane Gonthier's employment agreement also provided for certain continuing obligations in favour of the Corporation, including non-competition with the Corporation, non-solicitation of the Corporation's employees, non-solicitation of the Corporation's suppliers and confidentiality covenants, in each case for a period of 24 months beginning on September 3, 2013.

Pension Benefits

The NEOs participate in the pension benefit plan of the Corporation, a registered defined contribution plan (the “Pension Plan”). Under the terms of the Pension Plan, the Corporation will match an eligible employee’s contribution thereto, up to a maximum of \$3,000 per year (subject to minor upward adjustments in situations where an eligible employee’s base salary was increased over the course of a calendar year).

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

Name of NEO	Accumulated Value at Start of Fiscal Year (\$)	Compensatory (\$)	Accumulated Value at End of Fiscal Year ⁽¹⁾ (\$)
Larry Rossy..... CEO	28,114	1,815	— ⁽²⁾
Michael Ross, FCPA, FCA..... CFO and Secretary	21,319	3,147	29,039
Stéphane Gonthier ⁽³⁾ Former COO	42,364	2,166	—
Neil Rossy..... CMO	29,807	3,320	37,549
Geoffrey Robillard..... Senior Vice President, Import Division	33,007	3,000	38,287
John Assaly ⁽⁴⁾ Vice President, Global Procurement	226,236	3,000	247,536

- (1) Includes both compensatory and non-compensatory amounts (the latter representing employee contributions and regular investment earnings on employer and employee contributions, as applicable).
- (2) Contribution rights under the Pension Plan expire at age 72. Larry Rossy elected to withdraw his accumulated value before the end of the fiscal year ended February 2, 2014, before reaching the age limit.
- (3) Stéphane Gonthier resigned from the Corporation, effective September 3, 2013, and withdrew his accumulated value under the Pension Plan upon resignation.
- (4) John Assaly has been a participant in the Pension Plan (and in the pension plan of the Corporation’s predecessor entity) since October 1987 whereas other NEOs only started participating in the Pension Plan on later dates.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides a summary, as at February 2, 2014, of the security-based compensation plans or individual compensation arrangements pursuant to which equity securities of the Corporation may be issued.

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options	Weighted-Average Exercise Price of Outstanding Options	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (excluding securities reflected in the first column)
Equity Compensation Plans Approved by Securityholders: Plan.....	864,674	\$63.74	3,011,567
Individual Compensation Arrangements not Approved by Securityholders: “Ross Options” ⁽¹⁾	40,000	\$24.51	N/A
“Choinière Options” ⁽²⁾	—	—	N/A
Total	904,674		

- (1) On March 18, 2010, the Corporation entered into an employment agreement, effective April 12, 2010, and an option agreement with Michael Ross, FCPA, FCA, whereby the Corporation granted the Ross Options to Michael Ross, FCPA, FCA, concurrently with his appointment and employment with the Corporation as CFO and Secretary. Of the 100,000 Ross Options granted on March 18, 2010, 30,000 were exercised on September 20, 2012 and an additional 30,000 were exercised on April 17, 2013.

- (2) After the end of the most recently completed fiscal year, on April 11, 2014, the Corporation entered into an employment agreement, effective May 12, 2014, and an option agreement with Johanne Choinière whereby the Corporation granted to her an option to purchase 107,000 Common Shares (the “Choinière Options”) at an exercise price of \$88.78, concurrently with the appointment and employment with the Corporation as Chief Operating Officer. The Choinière Options have a term of 10 years from the date of the grant and will vest and become exercisable in equal installments on the first, second, third, fourth and fifth anniversaries of the date of the grant. As at April 17, 2014, the Common Shares relating to the Choinière Options represented 0.16% of the aggregate number of issued and outstanding Common Shares, on a non-diluted basis. The other terms and conditions relating to the exercise of the Choinière Options shall be governed by the provisions of the Plan.

A maximum of 7,269,193 Common Shares may be issued under the Plan. As at April 17, 2014, an aggregate of 4,472,626 options had been issued under the Plan, of which 1,068,474 remained outstanding, representing 1.57% of the issued and outstanding Common Shares on a non-diluted basis. As at such date, a total of 2,796,567 options remained issuable under the Plan, representing 4.12% of the issued and outstanding Common Shares on a non-diluted basis.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

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

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

The Board of Directors reviews and approves transactions between the Corporation on the one hand and a related party, such as the 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 Board of Directors, and the transaction is not considered approved by the Board of Directors unless a majority of the directors who are not interested in the transaction approve the transaction. The Corporation believes each of the transactions set forth below were made on terms no less favorable to the Corporation than could have been otherwise obtained from unaffiliated third parties.

Real Property Leases

The Corporation currently leases 19 stores, five warehouses, its distribution center and its head office from entities controlled by Larry Rossy or certain members of his immediate family pursuant to long-term lease agreements. Rental expenses associated with these related-party leases are established at market terms and represented an aggregate amount of approximately \$16.3 million for the fiscal year ended February 2, 2014.

CORPORATE GOVERNANCE

Board of Directors

Independence

The Board of Directors is comprised of nine directors, six of which are independent as at April 17, 2014. Pursuant to National Instrument 52-110 – *Audit Committees*, as amended from time to time (“NI 52-110”), an independent director is one who is free from any direct or indirect relationship which could, in the view of the Board of Directors, be reasonably expected to interfere with the exercise of a director’s independent judgment. Larry Rossy and Neil Rossy are not independent under these standards as they are part of the management of the Corporation. Gregory David may not be considered independent due to his relationship with Larry Rossy and other members of the current or former management. Stephen Gunn, John J. Swidler, Huw Thomas, Joshua Bekenstein, Nicholas Nomicos and Richard G. Roy are considered independent as they do not have any direct or indirect relationship

which could, in the view of the Board of Directors, be reasonably expected to interfere with their exercise of independent judgment. Mr. Nomicos did serve as Senior Vice President, Interim CFO and Secretary of the Corporation but his mandate ended on April 12, 2010, more than three years before the date of this Circular, and he is now considered independent within the meaning of NI 52-110.

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

Name	Status		Reason for Non-Independence
	Independent	Not Independent	
Larry Rossy Chairman of the Board of Directors		✓	Larry Rossy is the CEO of the Corporation.
Joshua Bekenstein Chair of the Human Resources and Compensation Committee Member of the Nominating and Governance Committee	✓		
Gregory David		✓	Gregory David is not considered independent due to his relationship with Larry Rossy and other members of the current or former management.
Stephen Gunn Lead Director Chair of the Nominating and Governance Committee Member of the Audit Committee Member of the Human Resources and Compensation Committee	✓		
Nicholas Nomicos Member of the Human Resources and Compensation Committee	✓		
Richard G. Roy Member of the Audit Committee	✓		
Neil Rossy		✓	Neil Rossy is the Chief Merchandising Officer of the Corporation.
John J. Swidler Chair of the Audit Committee	✓		
Huw Thomas Member of the Audit Committee Member of the Nominating and Governance Committee	✓		
Total	6	3	

The Corporation has implemented adequate structures and processes which permit the Board of Directors to function independently of the management of the Corporation. The Board of Directors maintains the exercise of independent supervision over management by encouraging open and candid discussion from its independent directors. Any independent director may, at any time, call a meeting or request an *in camera* portion of a meeting of the Board of Directors at which non-independent directors and members of management are not present. An *in camera* session is scheduled as part of every meeting of the Board of Directors and its committees to allow independent directors to meet without non-independent directors and members of management, as necessary. For the fiscal year ended February 2, 2014, the Audit Committee held four such *in camera* sessions and the Human Resources and Compensation Committee held two such *in camera* sessions.

In addition to the six independent directors, although Gregory David is not considered independent within the meaning of NI 52-110, the Board of Directors does not view his relationship with members of management as impairing the ability of the Board of Directors to act independently of management, or to act in the best interests of the shareholders of the Corporation.

Chairman of the Board of Directors and Lead Director

As the Chairman is not an independent director, Stephen Gunn, one of the independent directors, has been appointed as Lead Director in order to ensure appropriate leadership for the independent directors. The primary responsibilities of the Lead Director are to (i) ensure that appropriate structures and procedures are in place so that the Board of Directors may function independently of the management of the Corporation and (ii) lead the process by which independent directors seek to ensure that the Board of Directors represents and protects the interests of all shareholders. See “Position Descriptions” for further detail on the respective roles of the Chairman and the Lead Director.

Directorship of Other Reporting Issuers

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

The Board of Directors did not adopt a director interlock policy but is keeping informed of other public directorships held by its members. As at the date of this Circular, two directors, namely Joshua Bekenstein and Nicholas Nomicos, serve together on one other public company board.

Board of Directors’ Attendance Record

The following table summarizes the attendance of individual directors at meetings of the Board of Directors and its committees held during the fiscal year ended February 2, 2014. Directors are expected to attend all meetings and each director generally attends all meetings, subject to occasional scheduling conflicts.

Director	Board of Directors (8 meetings)		Audit Committee (4 meetings)		Human Resources & Compensation Committee (5 meetings)		Nominating & Governance Committee (2 meetings)		Total Attendance	
	Number	%	Number	%	Number	%	Number	%	Number	%
Larry Rossy.....	8 (chair)	100.0	–	–	–	–	–	–	8/8	100.0
Joshua Bekenstein.....	8	100.0	–	–	5 (chair)	100.0	2	100.0	15/15	100.0
Gregory David	7	87.5	–	–	–	–	–	–	7/8	87.5
Stephen Gunn	8 (Lead Director)	100.0	4	100.0	5	100.0	2 (chair)	100.0	19/19	100.0
Nicholas Nomicos ⁽¹⁾	7	87.5	–	–	2 ⁽¹⁾	100.0	–	–	9/10	90.0
Richard G. Roy	8	100.0	4	100.0	–	–	–	–	12/12	100.0
Neil Rossy ⁽²⁾	6	75.0	–	–	–	–	–	–	6/8	75.0
John J. Swidler.....	8	100.0	4 (chair)	100.0	–	–	–	–	12/12	100.0
Huw Thomas ⁽³⁾	7	87.5	4	100.0	2 ⁽³⁾	66.7	2	100.0	15/17	88.2

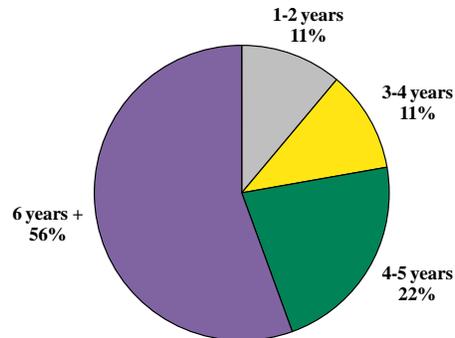
- (1) Nicholas Nomicos was appointed to the Human Resources and Compensation Committee on September 10, 2013 to replace Huw Thomas. Mr. Nomicos participated in all meetings of the Human Resources and Compensation Committee held since his appointment.
- (2) Neil Rossy did not participate in the meetings of the Board of Directors held via conference call on April 19, 2013 and October 20, 2013 as he was travelling on business in China on those dates.
- (3) Huw Thomas stepped down from the Human Resources and Compensation Committee, effective September 10, 2013, upon the appointment of Nicholas Nomicos, now considered independent within the meaning of applicable securities regulations, as member of such committee. Mr. Thomas participated in two out of the three meetings of the Human Resources and Compensation Committee held while he was a member of such committee.

Board of Directors Size

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

Board of Directors Tenure

The following chart shows the tenure (number of completed years of Board of Directors service) of the Corporation’s Board of Directors.



The average tenure of the Corporation’s current directors is 6.3 years. The Corporation has only been public since October 2009.

Retirement Policy for Directors

The Corporation does not have a retirement policy for directors.

Mandate of the Board of Directors

The Board of Directors is responsible for supervising the management of the business and affairs of the Corporation. The Board of Directors’ key responsibilities relate to the stewardship of management, generally through the CEO, to pursue the best interests of the Corporation, and includes the following: (i) reviewing and approving the strategic plan and in relation thereto approving the annual business and capital plans and policies and processes generated by management relating to the authorization of major investments and significant allocations of capital; (ii) supervising senior management and reviewing, in conjunction with the Human Resources and Compensation Committee and the Nominating and Governance Committee, as applicable, the succession planning of the Corporation, including the appointment of the CEO, the Chairman and the Lead Director of the Corporation, and ensuring that other executives are in place to ensure sound management of the Corporation, (iii) ensuring that the Corporation has risk management systems in place, (iv) ensuring that the Corporation has appropriate internal controls and corporate governance policies in place and reviewing, as applicable, the Nominating and Governance Committee’s recommendations regarding the Corporation’s corporate governance policies, the disclosure in the Corporation’s public disclosure documents relating to corporate governance practices, the relationship between management and the Board of Directors, the Board of Director’s ability to act independently from management, and (v) ensuring a business ethics, compliance and corporate governance mindset and creation of a culture of integrity throughout the organization.

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

Majority Voting Policy

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

On April 11, 2013, the Board of Directors adopted a majority voting policy in order to promote enhanced director accountability. The policy stipulates that, in an uncontested election of directors, any nominee who receives a greater number of votes “withheld” than votes “for” his election will be expected to promptly tender his resignation to the Nominating and Governance Committee for consideration.

The Nominating and Governance Committee shall consider the resignation and recommend to the Board of Directors the action to be taken with respect to such tendered resignation. The Board of Directors shall consider the recommendation of the Nominating and Governance Committee and determine whether or not to accept it. A press release disclosing the Board of Directors’ determination (and the reasons for rejecting the resignation, if applicable) shall be issued within 90 days following the date of the meeting of shareholders.

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

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

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

Position Descriptions

The Chairman of the Board of Directors and Committee Chairs

Larry Rossy, the Chairman, is an executive director. The Board of Directors has adopted a written position description for the Chairman which sets out the Chairman’s key responsibilities, including duties related to Board of Directors’ meetings, shareholders’ meetings, director development and communication with shareholders and regulators. The Board of Directors has also adopted a written position description for each of the committee chairs which sets out each of the committee chair’s key responsibilities, including duties relating to setting committee meeting agendas, chairing committee meetings and working with the respective committee and management to ensure, to the greatest extent possible, the effective functioning of the committee. These descriptions are reviewed by the Board of Directors upon recommendation of the Nominating and Governance Committee.

The CEO

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

The Lead Director

Stephen Gunn acts as Lead Director. The primary functions of the Lead Director are to provide leadership to the independent directors and to facilitate the efficient functioning of the Board of Directors independently of management. The Board of Directors has developed a written position description and mandate for the Lead Director which sets out the Lead Director's key responsibilities, including duties relating to independent directors' meetings, policy implementation, succession planning and flow of information to the Board of Directors. The Lead Director mandate is reviewed by the Board of Directors upon recommendation of the Nominating and Governance Committee.

Board of Directors Committees

Audit Committee

The audit committee of the Corporation (the "Audit Committee") is composed of four (4) directors, namely John J. Swidler, Stephen Gunn, Huw Thomas and Richard G. Roy, all of whom are and must at all times be financially literate and independent within the meaning of NI 52-110. John J. Swidler is the Chair of the Audit Committee. The relevant education and experience of each member of the Audit Committee is described as part of their respective biographies. See "Nominees for Election to the Board of Directors - Description of Proposed Director Nominees".

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

As part of its mandate, the Audit Committee has been delegated the primary risk oversight responsibility and reports periodically to the Board of Directors on its findings. More specifically, the Audit Committee is responsible to ensure that risks facing the Corporation are identified, assessed, monitored and appropriately managed and mitigated. In order to gain reasonable assurance that risk management activities are comprehensive and effective, the Audit Committee receives regular presentations from management on the principal areas of exposure associated with the Corporation's business and operations and the systems implemented to manage and mitigate these risks, including the Corporation's internal control systems and its insurance programs.

Additional information relating to the Audit Committee can be found in the section entitled "Audit Committee Information" of the Corporation's annual information form available on SEDAR at www.sedar.com.

Human Resources and Compensation Committee

The Human Resources and Compensation Committee is composed of three (3) directors, namely Joshua Bekenstein, Stephen Gunn and Nicholas Nomicos (who replaced Huw Thomas, effective September 10, 2013), all of whom are independent. Joshua Bekenstein acts as Chair of the Human Resources and Compensation Committee.

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

The Human Resources and Compensation Committee is charged with overseeing the administration of the Corporation's compensation plans, assisting the Board of Directors with its responsibilities in regard of the

Corporation's executive officers' compensation, and reviewing and approving the disclosure of executive compensation as required by securities laws before such disclosure is disseminated to the public.

As part of its oversight of the implementation of the Corporation's compensation plans, the Human Resources and Compensation Committee reviews and makes recommendations to the Board of Directors with respect to the adoption or amendment of incentive and equity-based compensation plans for the Corporation. The Human Resources and Compensation Committee annually reviews and approves the corporate goals and objectives relevant to the compensation of the CEO and other NEOs and evaluates their performance in light of these goals and objectives.

The Human Resources and Compensation Committee approves the compensation for the senior executive officers and makes recommendations to the Board of Directors regarding the CEO's compensation package. In setting compensation, the Human Resources and Compensation Committee considers all factors it deems relevant including the Corporation's performance and relative shareholder return, the value of proposed compensation packages against those offered by companies comprising the Comparator Group to individuals with similar responsibilities, and awards given by the Corporation in prior years. The Human Resources and Compensation Committee has also been delegated by the Board of Directors the responsibility to conduct an annual evaluation of compensation-related risks.

Finally, the Human Resources and Compensation Committee is also responsible for monitoring the succession planning process for the CEO, other NEOs as well as other key members of the senior management team. The objective of this process is to identify individuals who are able to move into key leadership roles not only in the normal course of the Corporation's growth but also in the event of an unplanned vacancy, and to assist these individuals in developing their skills and competencies. The Human Resources and Compensation Committee receives periodic updates from management on this leadership succession planning process, discusses succession scenarios, assesses the readiness of potential candidates to fill senior leadership roles and identifies roles for which an external talent search may be required. For example, members of the Human Resources and Compensation Committee participated in the executive search process that eventually led to the hiring and appointment of Johanne Choinière as Chief Operating Officer and met with candidates considered for the role before making a formal recommendation to the Board of Directors.

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

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

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

- reviewing and approving and then recommending to the Board of Directors the compensation of the CEO and other NEOs of the Corporation;
- reviewing and approving corporate goals and objectives relevant to the CEO's and other NEOs' compensation including the evaluation of the CEO's and NEOs' performance in light of those goals and objectives and determining their respective compensation packages based on these evaluations;
- designing, establishing and overseeing the Corporation's executive compensation policy;
- considering, at least annually, the implications of the risks associated with the Corporation's executive compensation policy and/or practices;
- reviewing and approving annually the compensation discussion and analysis to be included in the Corporation's management proxy circular;
- reviewing, at least annually, compensation market data and competitor benchmark data to attract and retain the human resources needed;

- administering the Annual Grant Plan and granting options, up to a number corresponding to the maximum number of shares reserved for issuance under the Plan and approved for distribution by the Board of Directors, in accordance with the terms of the Annual Grant Plan;
- developing and reviewing the Corporation's management succession plans;
- making recommendations to the Board of Directors with respect to such other compensation plans or structures to be adopted by the Corporation from time to time; and
- making recommendations regarding the Corporation's overall compensation philosophy and strategy.

Nominating and Governance Committee

The Nominating and Governance Committee is composed of three (3) directors, namely Stephen Gunn, Huw Thomas and Joshua Bekenstein, all of whom are independent. Stephen Gunn serves as the Chair of the Nominating and Governance Committee.

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

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

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

Orientation and Continuing Education

The Corporation provides an orientation process for newly elected members of the Board of Directors to enhance their understanding of the Corporation and their responsibilities as directors. As part of this orientation process, the Chairman and/or the Lead Director explain the role of the Board of Directors, its committees and the expectations of directors with respect to contribution and time commitment. New directors are provided with extensive information on the Corporation's business, its strategic and operational performance, its industry position and its financial results. In order to fully grasp the role they are expected to play as directors and/or committee members, new directors are also provided with copies of the Corporation's key documents, including the Code of Conduct, insider trading and public disclosure policies, the mandate of the Board of Directors and the charters of each committee as well as the position descriptions of each of the Chairman and the Lead Director and the chair of each committee. Up-to-date information on the Corporation's corporate organization, operations, strategy, its current year business plan and financial information is also provided to enable each new director to better understand the Corporation and his or her role and responsibilities.

As part of its mandate, the Nominating and Governance Committee is also responsible for assisting newly appointed members of the Board of Directors in becoming better acquainted with the Corporation and its governance process and providing orientation and continuing education for all members of the Board of Directors.

Senior management members make regular presentations to the Board of Directors in each of their respective areas, and directors are invited to meet individually with the Chair, the CEO, the CFO, the COO and other senior executive officers to discuss further any topic of interest in order to ensure that their knowledge and understanding of the Corporation's business remains current. Management periodically briefs the Board of Directors with up-to-date industry and benchmarking information, and experts are also invited to make presentations to the Board of Directors on relevant subjects of interest to the directors. Furthermore, tours of the warehouses, the distribution center and the stores are also available for directors so they can enhance their understanding of the operational aspects of the Corporation's business.

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

Code of Conduct

The Board of Directors has adopted a written code of conduct (the "Code of Conduct") that applies to all directors, officers, head office management and employees, warehouse management, distribution center management, field management and store management, including those employed by subsidiaries. The Code of Conduct has been circulated to all such persons to whom it applies.

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

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

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

The Code of Conduct was filed with the Canadian securities regulatory authorities and is available on SEDAR at www.sedar.com and on the Corporation's website at www.dollarama.com.

Nomination of Directors

The Nominating and Governance Committee is responsible for identifying, assessing and proposing new director nominees and for the assessment of current directors. The Nominating and Governance Committee actively seeks individuals qualified to become members of the Board of Directors and recommends such individuals for nomination for election to the Board of Directors by the shareholders or for appointment by the Board of Directors to fill a vacancy.

The Nominating and Governance Committee established a matrix setting out the desired qualifications, skills and attributes of potential nominees. Candidates must display ethical conduct, integrity and seasoned business

judgment. Strong interpersonal skills are also essential to ensure open, candid, collegial and effective discussion and debate among the directors.

Once a candidate meets the basic requirements enumerated above, the Nominating and Governance Committee takes a closer look at core competencies, which include, without limitation: experience in the retail industry; expertise in financial accounting and reporting and risk oversight; distribution, warehousing and/or logistics experience; international sourcing knowledge; real estate acumen; public company board service; know-how in executive compensation programs and leadership development; experience with international development and operations; and general senior leadership operating experience. Members are not required to have significant experience and expertise in each of these areas. The Nominating and Governance Committee rather aims for the right balance and mix of skills and ensures that the Board of Directors, as a group, is well versed in those areas that are critical to the Corporation's success.

Finally, the Nominating and Governance Committee (i) evaluates the ability of the candidate to devote sufficient time and resources to participate actively on the Board of Directors, (ii) ensures that the skill set of the candidate complements the abilities and areas of expertise of the incumbent members of the Board of Directors and meets the current and future needs of the Corporation, and (iii) assesses potential conflicts of interest.

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

The Nominating and Governance Committee does not have a formal policy regarding the consideration of diversity in identifying nominees for directors. However, in considering potential nominees, the Nominating and Governance Committee strives to ensure that the Board of Directors is populated by individuals who have diverse backgrounds, not only in terms of gender, national origin or ethnic background but also in terms of skills, professional experience, viewpoint and other individual qualities and attributes that will further the interests of the Corporation.

The Nominating and Governance Committee identifies candidates for nomination as directors through individuals known to the members of the Board of Directors or recommended through individuals known to the members of the Board of Directors. At the present time, the Nominating and Governance Committee has not required the assistance of an executive search firm for the identification of candidates for nomination as directors; however, the Nominating and Governance Committee will consider using such a service if assistance is deemed necessary. Furthermore, the search for qualified individuals is an ongoing process, regardless of whether there is a vacancy on the Board of Directors, and the Nominating and Governance Committee reviews the skills matrix periodically to ensure that it remains aligned with the Corporation's strategic plan and the Board of Directors' needs.

Assessments

The Nominating and Governance Committee is responsible for providing oversight of the evaluation of the performance and effectiveness of the Board of Directors as a whole, its committees, the Chairman, committee chairs and the individual directors. All directors are free to make suggestions on improvement of the Board of Directors' practices at any time and are encouraged to do so. The Nominating and Governance Committee receives comments and discusses any such comments at its next regular meeting. The Chair of the Nominating and Governance Committee then presents the committee's findings and recommendations to the Board of Directors, as needed. The Chair of the Nominating and Governance Committee also meets regularly with each director to discuss such director's performance and such director's assessment of the Board of Directors', the committees' and other directors' performance.

Indemnification and Insurance

The Corporation currently has an \$85 million directors and officers insurance program, as well as an additional \$25 million difference in conditions (DIC) coverage. The Corporation also entered into indemnification agreements with each of its directors. The indemnification agreements generally require that the Corporation indemnify and hold the indemnitees harmless to the greatest extent permitted by law for liabilities arising out of the indemnitees' service to the Corporation as directors, provided that the indemnitees acted honestly and in good faith and in a manner the indemnitees reasonably believed to be in or not opposed to the Corporation's best interests and, with respect to criminal and administrative actions or proceedings that are enforced by monetary penalty, the indemnitees had no reasonable grounds to believe that their conduct was unlawful. The indemnification agreements also provide for the advancement of defence expenses to the indemnitees by the Corporation.

GENERAL

Information contained herein is given as at April 17, 2014, except as otherwise stated. Management of the Corporation knows of no matter to come before the Meeting other than the matters referred to in the accompanying Notice of Meeting.

ADDITIONAL INFORMATION

The Corporation's financial information is included in the audited financial statements of the Corporation and notes thereto and in the accompanying management's discussion and analysis for the fiscal year ended February 2, 2014. Copies of these documents and additional information concerning the Corporation can be found on SEDAR (www.sedar.com) and may also be obtained upon request made to the CFO and Secretary of the Corporation, Michael Ross, FCPA, FCA, at the head office: 5805 Royalmount Ave., Montreal, Québec, H4P 0A1, telephone: (514) 737-1006 x1237.

SHAREHOLDER PROPOSALS FOR OUR NEXT ANNUAL SHAREHOLDERS MEETING

The Corporation received no shareholder proposal for inclusion in this Circular. The Corporation will include proposals from shareholders that comply with applicable laws in next year's management proxy circular for our next annual shareholder meeting to be held in respect of the fiscal year ending on February 1, 2015. The last day for submission of proposals by shareholders is January 23, 2015. Proposals should be sent to the CFO and Secretary of the Corporation, Michael Ross, FCPA, FCA, at the head office: 5805 Royalmount Ave., Montreal, Québec, H4P 0A1, telephone: (514) 737-1006 x1237.

APPROVAL BY DIRECTORS

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

Dated at Montreal, this 18th day of April, 2014.



Larry Rossy
Chief Executive Officer

SCHEDULE A
BOARD OF DIRECTORS MANDATE
(the “Board Mandate”)
OF DOLLARAMA INC.
(the “Corporation”)

1. PURPOSE

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

2. DUTIES AND RESPONSIBILITIES

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

A. Strategic Planning

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

B. Risk Management

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

C. Human Resource Management

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

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

D. Corporate Governance

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

E. Communications

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

F. Composition

- (1) The composition and organization of the Board, including the number, qualifications and remuneration of directors, the number of Board meetings, Canadian residency requirements, quorum requirements, meeting procedures and notices of meetings shall comply with applicable requirements of the *Canada Business Corporations Act*, the securities laws and regulations applicable in the Province of Québec and the articles and by-laws of the Corporation, subject to any exemptions or relief that may be granted from such requirements.
- (2) Each director must have an understanding of the Corporation's principal operational and financial objectives, plans and strategies, and financial position and performance. Directors must have sufficient time to carry out their duties and not assume responsibilities that would materially interfere with, or be incompatible with, Board membership. Directors who experience a significant change in their personal circumstances, including a change in their principal occupation, are expected to advise the chair of the Human Resources and Compensation Committee.
- (3) If the Chair is not independent (as defined in National Policy 58-201 - Corporate Governance Guidelines, as may be amended from time to time), then the independent directors shall select

from among their number an independent director who will act as “Lead Director” and who will assume responsibility for providing leadership to enhance the effectiveness and independence of the Board. The Chair, if independent, or the Lead Director if the Chair is not independent, shall act as the effective leader of the Board and ensure that the Board’s agenda will enable it to successfully carry out its duties.

G. Committees of the Board

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

H. Meetings

- (1) The Board will meet at least once in each quarter, with additional meetings held as deemed advisable. The Chair (or the Lead Director if the Chair is not independent) is primarily responsible for the agenda and for supervising the conduct of any Board meeting. Any director may propose the inclusion of items on the agenda, request the presence of, or a report by any member of senior management, or at any Board meeting raise subjects that are not on the agenda for that meeting.
- (2) Meetings of the Board shall be conducted in accordance with the Corporation’s articles and by-laws.
- (3) The secretary of the Corporation (the “**Corporate Secretary**”), his or her designate or any other person the Board requests shall act as secretary of Board meetings. Minutes of Board meetings shall be recorded and maintained by the Corporate Secretary, or any other person acting in such capacity, and subsequently presented to the Board for approval.
- (4) The independent members of the Board shall hold regularly-scheduled meetings, or portions of regularly scheduled meetings, at which non-independent directors and members of management are not present.
- (5) Each director is expected to attend all meetings of the Board and any committee of which he or she is a member. Directors will be expected to have read and considered the materials sent to them in advance of each meeting and to actively participate in the meetings.
- (6) The Board shall have unrestricted access to management and employees of the Corporation (including, for greater certainty, its affiliates, subsidiaries and their respective operations). The

Board shall have the authority to retain and terminate external legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities and to set and pay the respective reasonable compensation of these advisors without consulting or obtaining the approval of any officer of the Corporation. The Corporation shall provide appropriate funding, as determined by the Board, for the services of these advisors.

I. Management

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