

CLIMATE STRATEGY AND ESG UPDATE

DOLLARAMA



SELECT ESG HIGHLIGHTS

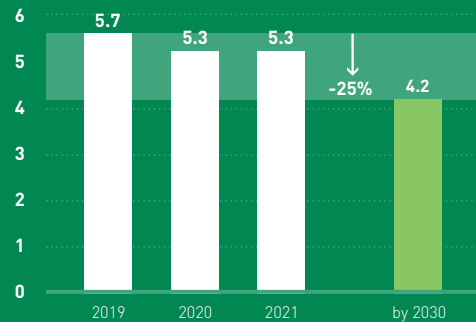
01 CLIMATE CHANGE AND ENERGY MANAGEMENT

First-generation climate goal

Target a **25%**

reduction in Scope 1 and 2 GHG emissions intensity by 2030 vs. a 2019 baseline

Our emissions intensity reduction target
Scope 1 and 2 emissions (kg of CO₂e / ft²)



83%

of our purchased electricity in 2021 was from renewable or non-GHG emitting sources

02 TALENT ATTRACTION, DEVELOPMENT, AND RETENTION

1,000+

net new jobs created annually through new store openings

~4,000

store employees were promoted to new positions within the organization in 2021, an increase vs. ~3,000 in 2020

100%

of new District Manager positions were filled via internal promotions in 2021

03 DIVERSITY, EQUITY, AND INCLUSION

New goal

Maintain at least

40%

female gender representation in management level positions

04 RESPONSIBLE SOURCING

100%

of vendors confirm adherence to our Vendor Code of Conduct

05 PACKAGING, RECYCLING, AND WASTE MANAGEMENT

Over

500 million

plastic bags removed from circulation since 2017

06 DATA PRIVACY AND SECURITY

ZERO

material data breaches to date

MESSAGE TO STAKEHOLDERS: ADVANCING OUR ESG AGENDA

FIRST-GENERATION CLIMATE GOALS

With this latest Environmental, Social and Governance (ESG) report, we are extremely pleased to present our climate strategy and roadmap, including our first greenhouse gas (GHG) emissions reduction target for our Canadian operations. We recognize the serious risks that climate change poses to our planet and our role in supporting global efforts to address these.

As a successful and rapidly growing Canadian value retailer with over 1,420 stores from coast to coast, it was imperative that our first-generation climate goal aligns with our business strategy, operational realities, and the full potential of the viable levers at our disposal.

As such, we have set a 25% intensity reduction target for Scope 1 and Scope 2 emissions by 2030 from a 2019 baseline, reflecting our continued store network growth. We intend to achieve our target by improving the energy efficiency of our stores, reducing our reliance on fossil fuels wherever possible, and by increasing our use of clean energy sources.

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We approach our ESG commitments, including those regarding climate change, as a journey on which we must continuously set the bar higher. We also believe in setting measurable and achievable goals, that consider our business and operations, the unique role we play in the lives of Canadian consumers, and the expectations of our stakeholders.

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We will continue to pursue alignment with the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD), which guided the development of our

roadmap and 2022 report disclosures. In addition, we have reiterated our commitment to measuring our full value chain of emissions, including Scope 3 emissions. This work is underway.

FOCUS ON PEOPLE, RESPONSIBLE SOURCING, AND OPERATIONS

While our **2021 ESG Report** published last year provides a comprehensive discussion of our approach and management of our full matrix of material ESG topics, we wanted this 2022 edition to highlight progress and provide new information on select priority topics for our stakeholders, including:

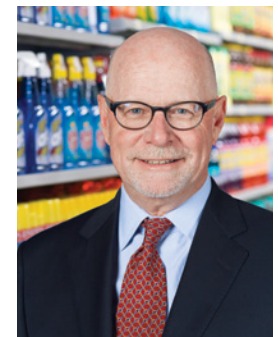
- Continued investments in our stores to reduce our energy consumption through the installation of LED lighting and high-efficiency energy management systems.
- A new commitment made in early 2022 to maintain at least 40% female representation at the management level, building on our dynamic and diverse workforce.
- Continued investments in the training and career development of our people, with over 4,000 store employees promoted to new positions in 2021.
- Ongoing progress in the roll out of our vendor compliance program, with 204 satisfactory social audit reports on file at the end of 2021.
- A higher year-over-year rate of recovery of material waste at store level, with 77% of recovered materials diverted from landfills.
- Zero material data breaches and continued investments in training at all levels of the organization on information security.

We are making tangible progress on our ESG journey and as we push our tracking capabilities and disclosures further, we will strive for more alignment with TCFD recommendations and Sustainability Accounting Standards Board (SASB) standards, among other frameworks and standards, to facilitate the understanding of our ESG strategy and streamline our metrics. You will also find an updated SASB Index with the latest available figures, which we plan on publishing annually going forward.

With each ESG update, our approach broadens. As we continue on this path, both the Board and management remain committed and engaged in this process. We have made significant progress in terms of enhancing transparency and we will continue to challenge ourselves to do more to meet and exceed the expectations of our valued stakeholders.



Neil Rossy
President and CEO



Stephen Gunn
Chair of the Board

01 CLIMATE CHANGE AND ENERGY MANAGEMENT

OUR APPROACH TO CLIMATE CHANGE

Climate change poses serious risks to our planet, to people and to businesses, and as such, represents one of the defining issues of our time. As a responsible corporate citizen, we recognize that we must act and contribute to global efforts to address these risks, and help minimize their impact.

In early 2022, we reached a significant milestone in the development of our climate strategy and roadmap by setting our first GHG emissions reduction target for our Canadian operations. Guided by TCFD recommendations, our climate strategy takes into account the various climate-related risks and opportunities relevant to our business. It includes concrete goals, outlines clear metrics to measure progress and lays an actionable path toward achieving our target.

Our strategy also considers our ambitious growth plans as a successful Canadian value retailer, our already highly

efficient operations, and our store lease environment, among other factors. In this context, we have chosen an intensity-based reduction target to allow for the continued growth of our store network. We intend to leverage economically and operationally viable options to reach our target with initiatives primarily focused on our store retail operations, our main source of Scope 1 and Scope 2 GHG emissions, which have grown largely in line with square footage growth to date.

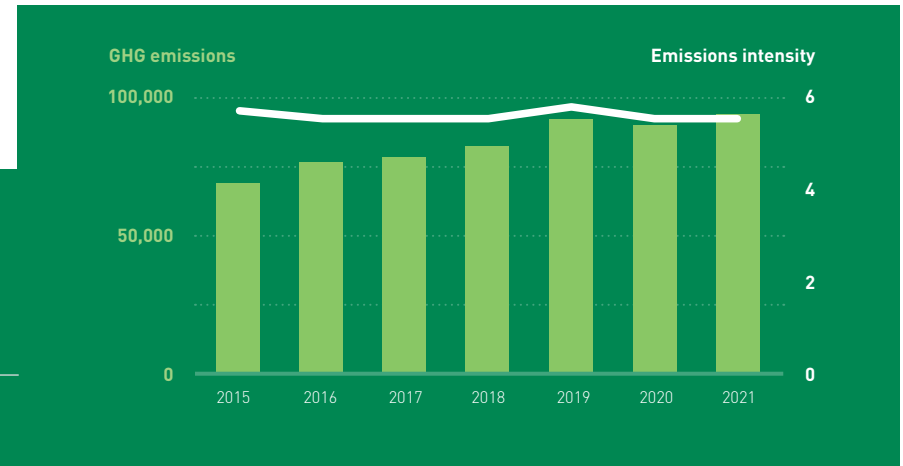
Target a **25%** reduction in Scope 1 and 2 GHG emissions intensity by 2030 vs. a 2019 baseline

84% of our Scope 1 and 2 emissions were generated by retail store operations in 2021

83% of our purchased electricity in 2021 was from renewable or non-GHG emitting sources

HISTORICAL GHG EMISSIONS

■ Emissions intensity (kg of CO₂e/ft²)
 ■ GHG emissions (tonnes of CO₂e)



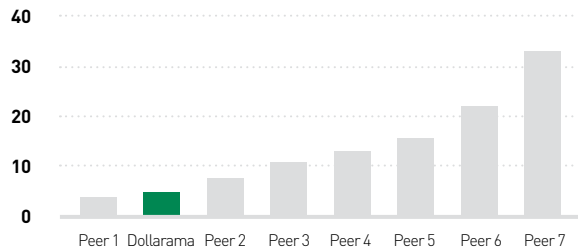
A HIGHLY EFFICIENT BUSINESS MODEL

Efficiency is embedded into our business model in many ways. It starts with the geographical distribution of our operations, with our head office, centralized logistics operations and 30% of our stores located in Québec which primarily relies on renewable energy. Also, a high share of purchased electricity across our store network comes from both renewable and non-GHG emitting sources.

Our carbon efficiency also reflects our low-cost operating model, which optimizes energy use and eliminates unnecessary waste across all of our operations, supported by the ongoing roll-out of a variety of energy reduction and efficiency-related initiatives. In addition, our use of refrigerants is very limited as we do not sell perishable or frozen goods. As such, our emissions intensity starting point is materially lower than the vast majority of our peers, which include some of the largest publicly traded mass and discount retailers in North America.

OUR EMISSIONS INTENSITY RELATIVE TO RETAIL PEERS

SCOPE 1 AND 2 EMISSIONS (KG OF CO₂E / FT²)



01

SOURCES OF GHG EMISSIONS

	2019	2020	2021
Scope 1 - Direct (metric tons of CO ₂ e) ¹			
Building natural gas consumption for heating purposes	55,531 (63%)	53,878 (63%)	59,215 (66%)
Company-owned vehicles	822 (1%)	1,054 (1%)	1,101 (1%)
Scope 2 - Indirect (metric tons of CO ₂ e) ¹			
Building energy consumption from purchased electricity	31,361 (36%)	30,654 (36%)	29,612 (33%)
Retail space, warehouses and distribution centre (ft ²)	15,511,031	16,270,384	17,063,014

¹ Carbon dioxide equivalent (CO₂e) is a measure used to compare the emissions from various greenhouse gases based upon their global warming potential.

2021 EMISSIONS BY ACTIVITY

- Retail store operations **75,365** metric tons of CO₂e (84%)
- Centralized logistics and head office operations **14,564** metric tons of CO₂e (16%)



CLIMATE STRATEGY ROADMAP

Measure and disclose Scope 1 and Scope 2 emissions

- Measured since 2016
- Disclosed since 2018

Set Scope 1 and Scope 2 emissions intensity reduction target

- Target 25% reduction in emissions intensity [kg of CO₂e / ft²] from 2019 baseline, set in June 2022

Align with TCFD recommendations

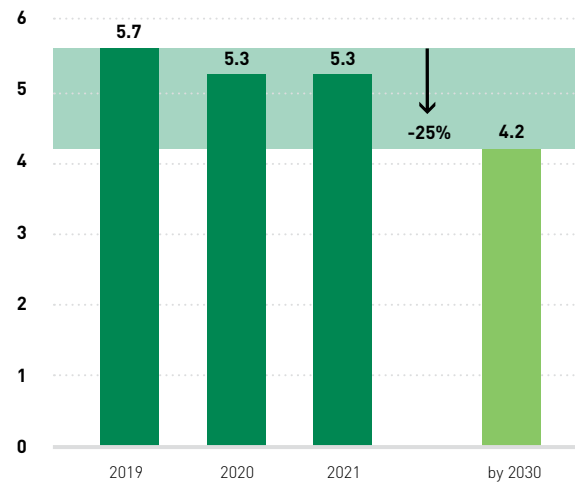
- Commitment made in 2021 to develop TCFD roadmap
- Climate strategy released in June 2022, developed in alignment with TCFD recommendations
- Further alignment to be achieved in future

Measure and disclose Scope 3 emissions

- Commitment made in 2021 to enhance visibility and measurement
- Work is currently underway to measure full value chain emissions

OUR EMISSIONS INTENSITY REDUCTION TARGET

SCOPE 1 AND 2 EMISSIONS (KG OF CO₂E / FT²)

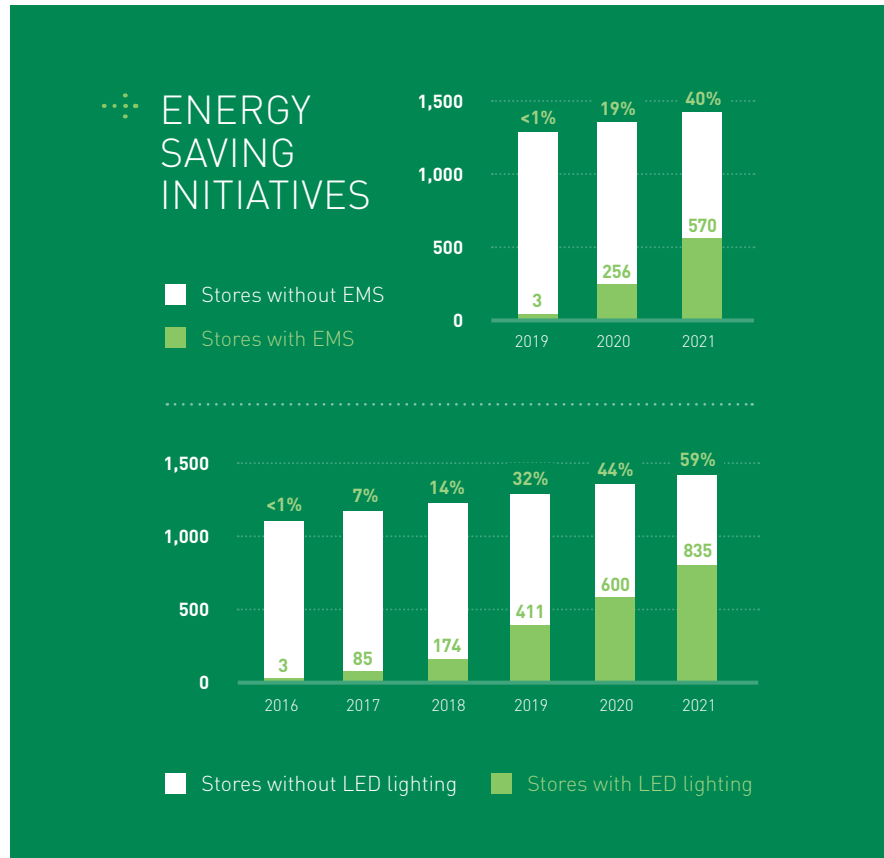


METRICS AND TARGET: PATH TO A 25% EMISSIONS INTENSITY REDUCTION BY 2030

Following a thorough process, including the participation of third-party subject matter experts, Dollarama set its first Scope 1 and Scope 2 emissions intensity reduction target in June 2022, and reiterated its commitment to measure Scope 3 emissions as an important milestone of its climate roadmap.

The path forward reflects a careful process, overseen by the Board and management. Our 2030 target aligns with our business strategy, acknowledges our operational realities, and takes into account the full potential of the viable levers we have at our disposal. To achieve this target, our strategy will focus on three pillars:

1. Improving the energy efficiency of our existing stores (e.g. ballast-less fixtures, use of LED technology, upgraded energy management systems (EMS) in all Dollarama-controlled stores, and in landlord-controlled stores where possible).
2. Reducing our reliance on fossil fuels (e.g. conversion of our company-owned vehicle fleet towards hybrid, securing new leases in buildings with high energy efficiency standards, and electrification of heating systems where viable).
3. Increasing our use of renewable or clean energy sources (e.g. procurement of renewable electricity, benefitting from anticipated grid improvements as individual provinces de-carbonize their own electricity supply).



PURCHASED ELECTRICITY MIX

Renewable energy (Hydro, wind, biomass and solar power)	58%
Non-GHG emitting (Uranium)	25%
GHG emitting (Natural gas, coal, coke and petroleum)	17%



GOVERNANCE OF CLIMATE RISKS AND OPPORTUNITIES

Responsibility for ESG risks and opportunities ultimately resides with the Board of Directors. Oversight of risks and opportunities associated with operations and supply chain, which includes climate change, has formally been delegated to the Audit Committee and embedded in its charter since 2021. The Committee meets quarterly to discuss ESG matters generally, and the advancement on the climate roadmap specifically.

A detailed overview of Dollarama's ESG governance structure can be found in its comprehensive **2021 ESG Report**.



The ESG agenda is developed by the senior management team to ensure all facets of the business are taken into consideration.

CLIMATE RISK MANAGEMENT AND IMPACTS ON STRATEGY

Climate-related and other ESG risks are identified, analyzed and managed as part of the Corporation's enterprise risk management processes, which involve the participation of the Board and management. Dollarama assesses risks on three dimensions: materiality of the risk to the business, the likelihood and timing of the risk materializing, and the practical steps that we can take to avoid or mitigate said risks.

As an importer of goods from overseas and a national retailer with a presence in all provinces and two territories, Dollarama's logistics operations are at risk of disruptions due to adverse weather effects. In the near term, these can cause delays or interruptions in the delivery of goods to our distribution centre, warehouses or stores, and may also result in cost increases as we implement mitigation measures or contingency plans to address these.

Over the medium to longer term, increased operating costs within our facilities remain a considerable risk, should there be a significant increase in electricity rates and/

or in the frequency or severity of adverse weather events. Our logistics operations may also be impacted by rising fuel costs and higher costs of carbon. From a supply chain perspective, higher operating costs borne by our vendors may result in higher cost of goods should our suppliers pass on these higher costs to Dollarama.

Our ability to reach our 2030 emissions intensity reduction target may be impacted by these same factors, in addition to the risk that plans of individual provinces to de-carbonize their respective electricity grids not fully materialize.

Management's view is that overall, the impact of the above-mentioned climate-related risks to Dollarama's business are low to moderate. Based on the information available to management today, Dollarama's ability to execute its strategy despite these operational risks coming to fruition is manageable, and financial-related impacts can be mitigated using the range of tools that Dollarama has at its disposal for maintaining margins.



These risks have been identified as part of our ongoing risk assessment exercise, and the development of our climate strategy and roadmap continues

to evolve. However, Dollarama has not undertaken a formal climate-related risks, opportunities and scenarios analysis for the time being.

02 TALENT ATTRACTION, DEVELOPMENT, AND RETENTION

A PROUD EMPLOYER FROM COAST TO COAST

Dollarama is a recognized Canadian value retailer helping consumers get the best value out of every dollar they spend. Our ability to deliver on our purpose would not be possible without the everyday contributions of our over 24,000 employees from coast to coast.

As we pursue our path to 2,000 Dollarama stores by 2031, over a thousand new jobs are created every year, and our dynamic team will continue to grow. Each and every new store generates a positive economic and social impact in its community by providing secure employment and convenient access to affordable, everyday products.

The retail sector has long been the main point of entry into the job market for large numbers of Canadians and newcomers, and we are proud to offer access to the job market to individuals from all walks of life, backgrounds, and experiences. Actively recruiting year-round to staff our growing store network, we offer flexible work schedules, meaningful career advancement opportunities, and competitive wages and benefits, and an employee assistance program.

23,300

store employees as well as
840 field management, logistics
and corporate employees

1,420+

stores across Canada
with an average of
~15 associates per store

1,000+

net new jobs created annually
through new store openings

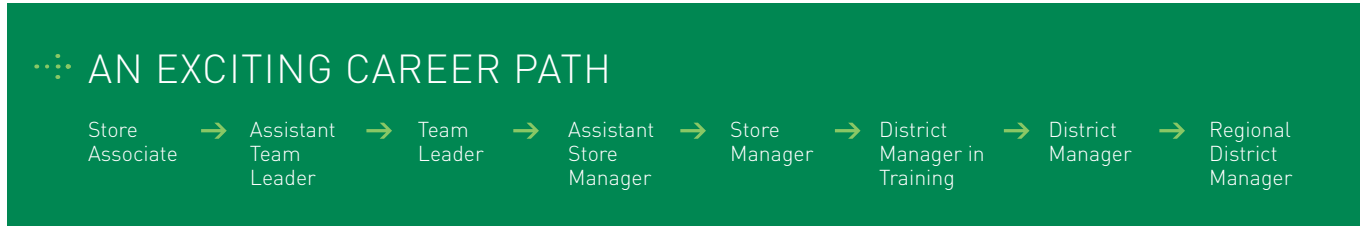


HELPING OUR PEOPLE GROW AND SUCCEED

We provide a safe, dynamic, and stimulating work environment in which our people can acquire valuable skills and experience that can be leveraged to advance a career in retail or in other sectors of the economy. From technical and soft skills training and coaching opportunities, to structured career paths and performance evaluations, we continue to invest in programs and in our people to provide equitable opportunities to advance their career with us.

To help ensure that high-potential employees and those looking to advance their careers can grow, we have created store positions intended as steppingstones to management responsibilities. We also have programs in place that focus on bridging the gap between store and field management positions, where responsibilities and geographic scope increase.

Through these initiatives we have meaningfully improved our internal promotion rates and we will continue to sustain these efforts so that our people can flourish and contribute to the essential role we play in the Canadian retail ecosystem.



~4,000
store employees were promoted to new positions within the organization in 2021, an increase vs. ~3,000 in 2020

100%
of new District Manager positions were filled via internal promotions in 2021

50%
of Store Manager positions were filled via internal promotions in 2021

60%
of Assistant Store Manager positions were filled via internal promotions in 2021



COMPETITIVE COMPENSATION AND BENEFITS

Over 60% of our store employees earn more than minimum wage. While starting wages for entry-level store associate positions often reflect the provincial minimum wage, Associates quickly gain access to advancement opportunities and increased compensation.

Competitive wages and flexible work schedules are coupled with many other benefits. Once a new employee has worked a minimum number of hours, they are eligible for a competitive group insurance plan with different coverage options, from basic health to dental benefits. In addition, we offer a company-matched defined contribution pension plan to all eligible employees.

From Associate to Store Manager, all the way to a field management position, each step includes increased responsibility and compensation, including an incentive compensation program for Assistant Store Managers, Store Managers, District Managers and Regional District Managers, which makes them eligible for performance-driven bonuses based on a balanced set of key metrics related to overall store and/or regional performance.

Our centralized Québec-based logistics operations have different staffing needs and structures than our store operations, reflecting the different nature of the work involved and staffing needs that fluctuate throughout the year. Our logistics operations primarily involve the handling and assembling of merchandise by the pallet for shipment to our stores across the country. We employ over 200 full-time employees, and we offer over 1,500 work opportunities through employment agencies to fulfill labour requirements throughout the year, flexing up during peak periods.

As such, our logistics operations provide significant opportunities for Canadians and newcomers to enter the job market at competitive hourly wages. Logistics employee hourly wages, excluding premiums, are significantly above the minimum wage, including for entry-level positions. We maintain the same safety standards as well as wage rate parity between employees and employment agency workers accomplishing the same work, in an efficient, safe, and structured work environment.



COMPREHENSIVE BENEFITS

- Dental
- Long-term insurance
- Primary caregiver leave
- Employee assistance program
- Company-matched pension plan
- Incentive-based compensation

Based on position eligibility

TRAINING TOMORROW'S LEADERS

We are continually enhancing our training and development programs to help foster the success of our people. While we have many training programs in place for roles at all levels, ranging from onboarding, refresher to new skills training, our premier program is a comprehensive management training called GPS, which stands for 'Guide, Progress, Success'.

Based on active supervision principles and through training and coaching, GPS helps our leaders become more effective managers – whether they manage 1, 15 or 150 stores. It sets out clear and standardized expectations, provides tools to learn how to prioritize, set objectives and track results. It also helps managers provide impactful and positive reinforcement, resulting in motivated and aligned store teams working for strong leaders.

Built on the 'train the trainer' principle, executives and field leadership were the first to be trained prior to the program being rolled out to stores. By 2021, all district managers had completed the training, following a three-year development, piloting and implementation phase, and rolled it out to 100% of our stores. Since completing the deployment phase, our focus is now on ensuring the sustainability of the program through continued engagement and goal setting, and ensuring that we are continuing to train tomorrow's leaders today.

GPS training program
deployed across

100%

of stores as of 2021

Training application and flash
training for Store Associates
launched in early

2022

DEVELOPING OUR PEOPLE THROUGH TARGETED TRAINING

- **In-store training:** Tailored programs designed for the unique requirements of each role from Associate to Store Manager
- **Certified Training Manager certification:** Opportunities for top-performing Store Managers to become certified trainers and oversee the training processes for new or recently promoted Store Managers and Assistant Store Managers
- **Training application:** A gamified training approach for the onboarding of in-store staff
- **Flash training:** Short, segmented trainings for specific roles on key topics such as in-store safety, anti-bias, loss prevention
- **Soft skills training:** Sessions for new Store Managers on key topics such as recruitment, diversity, equity & inclusion, anti-harassment, anti-discrimination, and performance management
- **Language training:** Online training available to all head office and field management employees for deeper proficiency in English, French, or Spanish

03 DIVERSITY, EQUITY, AND INCLUSION

PROMOTING AN EQUITABLE, DIVERSE, AND INCLUSIVE WORKPLACE

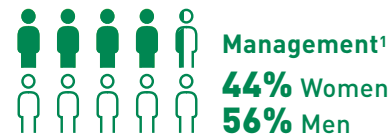
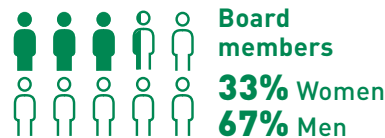
We are committed to equity and equality in all our employment practices and policies, including ensuring pay equity. We seek to recruit, develop, reward, and retain our employees on the basis of merit, ability, and performance.

Our commitment to promoting an inclusive environment for our employees and our customers is reflected in our zero-tolerance approach toward any form of discrimination whether based upon race, gender, sexual orientation, civil status, age (except as provided by law), religion, political convictions, language, ethnic or national origin, social condition, disability or any other factors prohibited by law. We regularly train our employees on these standards and employees are provided with several mechanisms through which they can report any incident.

WOMEN IN RETAIL

Women represent the vast majority of our in-store workforce, including at the store management level, and are also well represented at the corporate level. Our Board has a gender diversity policy in place to have each gender comprise at least 30% of the Board. In early 2022, Dollarama set an objective to achieve more than 40% female gender representation within management positions, from director level to executive level employees, whether field, logistics or corporate.

While we do not set targets regarding the representation of women among our broader workforce, we are committed to equality of opportunity and to the recruitment, retention, development and promotion of qualified female and male candidates for all positions.



¹ Dollarama defines management as its named executive officers, senior vice presidents, vice presidents, senior directors, directors, regional district managers and district managers

² Includes all employees who are not classified as management



REPRESENTING THE COMMUNITIES WE SERVE

Dollarama is proud of its growing and dynamic workforce, which is fully representative of the diversity of the communities in which we are present, a testament to the inclusiveness of our workplace.

At this time, Dollarama only formally tracks the racial and ethnic group representation of its Board members and executive officers, but continues to evaluate ways in which it can better track and eventually enhance its disclosure regarding the representation of these groups across its workforce. In 2021, one Board member identified as a visible minority.

RECOGNIZED BY WOMEN LEAD HERE FOR THIRD YEAR

In early 2022 and for the third year in a row, Dollarama was named to The Globe and Mail's annual Women Lead Here benchmark of executive gender diversity in corporate Canada. The Globe and Mail's Report on Business researchers evaluated 500 of the largest companies on the Toronto Stock Exchange to narrow the list down to 74 companies considered to have a significant number of women in leadership positions.



04 RESPONSIBLE SOURCING

SAFEGUARDING HUMAN RIGHTS AND THE ENVIRONMENT

Ensuring that all individuals are treated with dignity and respect in our extended supply chain is paramount. At Dollarama, we monitor our supply chain closely through a comprehensive vendor compliance program. This program rests on a thorough vendor screening process, a mandatory vendor code of conduct, ongoing vendor engagement and the requirement of social audits from Tier 1 suppliers. Our many forms of engagement with our vendors allow for multiple opportunities for oversight, influence, and action if required.

Our compliance program evolves year after year, and we continue to make progress engaging with our vendors to ensure their practices, beyond product quality and safety, meet our expectations and that of our stakeholders in terms of working conditions, fair labour practices, human rights and environment, among other factors.

WHO ARE OUR TIER 1 SUPPLIERS?

Our Tier 1 suppliers are defined as vendors who manufacture goods and from whom we import such goods directly. Tier 1 suppliers subject to social audit requirements are selected based on specific risk factors such as country of operation, nature of the goods procured and annual procurement volumes. Manufacturers considered low risk, based notably on country of operation, are excluded from the requirement to undergo a social audit.

MONITORING OUR TIER 1 SUPPLIERS

Our social and environmental expectations are outlined in our comprehensive Vendor Code of Conduct, which all vendor partners, regardless of profile, are required to confirm compliance with in order to do business with us. Our social audit program, launched in 2019, provides a deeper level of transparency and oversight regarding the practices of our vendors, specifically targeting Tier 1 suppliers.

Social audit reports provide us with a comprehensive view of vendor operations and practices, based on clear assessment criteria, each graded on a spectrum. Depending on the criteria, there may be zero tolerance for non-compliance, which results in the termination of the relationship, or an opportunity for vendors to implement corrective actions within a reasonable timeline. In the case of the latter, the objective is not only to ensure better oversight and compliance, but also, when possible, exert a positive influence.

At the end of 2021, Dollarama had received 204 valid and satisfactory third-party audit reports of vendors under our social audit program. These include audits commissioned directly by Dollarama, as well as audits conducted of our vendors by accredited organizations. We are actively working to complete audits with the balance, most of whom are new vendor relationships formed as part of our annual product refresh cycle.

EXTENDING OUR SOCIAL AUDIT PROGRAM IN THE FUTURE

While Tier 1 suppliers, due to the direct legal and commercial relationships we have with them, remain our top priority in the near term, our ambition is to expand the reach of our social audit program to a larger share of our vendor base, taking a phased approach. Intermediaries, which are vendors from whom we procure goods but who are not the manufacturers of those goods, represent the next category we plan on extending our social audit program to in the coming years. The program requirements will be tailored to consider the nature of this vendor's category and our indirect relationship to the product manufacturer, but our aim will be the same.

This phased strategy reflects our risk-based approach to the monitoring of social and environmental factors in our extended supply chain, with our social audits remaining one among many mechanisms that help us ensure that our vendors meet our standards beyond product safety. We will continue to engage with our vendors and evolve our practices, to monitor their performance and act where required to help improve standards.

... SOCIAL AUDIT ASSESSMENT CATEGORIES

- Child labour
- Forced labour
- Discrimination
- Discipline, harassment, or abuse
- Freedom of association
- Employment contract
- Working hours
- Wages and benefits
- Health and safety
- Environment

100%

of vendors confirm adherence to our Vendor Code of Conduct

204

valid and satisfactory third-party audit reports under our vendor social audit program at the end of 2021



04

05 PACKAGING, RECYCLING, AND WASTE MANAGEMENT

THE RESPONSIBLE USE OF MATERIALS

At Dollarama, the efficient use of materials, from product manufacturing to packaging, has been part of our DNA since our founding. We approach the sourcing of each product with this philosophy, to maximize our cost effectiveness and to provide Canadians from all walks of life with affordable everyday products that meet their needs and expectations.

While plastics are among the most universally used materials in modern society and play an important role in the everyday lives of many Canadians, not all plastics were created equal or can be recycled. Single-use plastics are an example of commonly collected items that may be harder to recycle. Mindful of this, we have initiatives in place to help reduce their consumption, including charging for plastic bags in our stores to discourage their use.

Since phasing out the use of small plastic bags across the chain and implementing a

fee for medium- and large-format plastic bags, where the sale and distribution of plastic bags is still permitted, we have significantly reduced the number of such bags in circulation. At the same time, Dollarama has expanded the distribution across its network of its reusable bag selection, which are 100% recyclable and available for purchase at check-out in all stores.

Dollarama anticipates that by 2023, the sale of six categories of single-use plastic items meeting certain criteria (checkout bags, cutlery, straws, stir sticks, ring carriers, and foodservice ware) will be prohibited in Canada. Sales of products from these categories represent a small share of our total sales and we fully support the proposed measures. We are also working actively with our supply chain partners to develop replacement products at compelling value to fill the gaps for our customers.

Over
500 million
plastic bags removed
from circulation since 2017

Over
60%
annual reduction in the use of plastic
bags per year since 2017

... DID YOU KNOW?

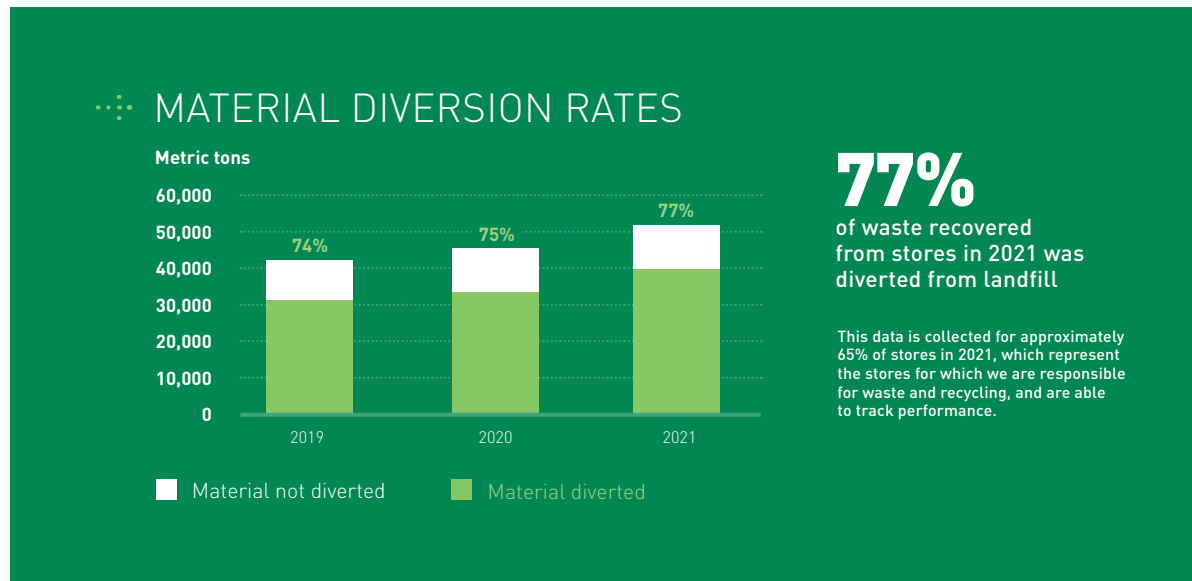
Since 2021, Dollarama has been piloting an organic products section in a select number of stores, featuring certified products ranging from tortilla chips to rice cakes to figs, a section it plans to grow over time based on customer response.



INCREASING COLLECTION AND WASTE DIVERSION RATES

Increasing cardboard and plastic recycling, the majority of which is generated from packaging related to the handling and shipping of goods to our stores, is an ongoing priority both in stores and within our logistics operations. With the support of third-party service providers, we continue to develop new initiatives aimed at reducing waste and increasing recycling within our facilities. We continue to improve our waste diversion rates year after year, even as our store footprint grows.

Maximizing the reuse of materials where possible is also an ongoing activity, from cardboard boxes in which goods are received from overseas being repurposed for online sales shipments, to the repair and recycling of wooden pallets within our logistics operations.



As a result of nearly **40,000**

metric tons of waste diverted from landfill in 2021, we saved the equivalent of:

538,000
mature trees

132,000
tonnes GHG emissions

407 million
gallons of water

85 million
KwH of electricity

122,000 cubic yards landfill space

Source: Waste Management and Cascades



MINIMIZING PRODUCT PACKAGING

Dollarama designs the packaging of a large proportion of the products available in its stores and sold under its private labels. Minimizing product packaging is a core principle of our cost-effective approach and contributes directly to efficient transportation. In addition, Dollarama makes every effort to forgo the use of packaging wherever possible. This helps minimize both costs and our environmental footprint.



... DID YOU KNOW?

With the opening of each new store, shelving must be installed, among several other crucial steps, before we can open our doors. When this shelving is boxed and shipped by our supplier, wood blocking is used between each shelf to protect it. These blocks used to be considered waste, but true to our commitment to the efficient reuse of materials, we realized that we could, quite literally, extend its 'shelf life'. Today, we pack up all the wood blocking included in a shipment for a new store opening, consolidate it and return it to the manufacturer so it can be reused in future shipments.



06 DATA PRIVACY AND SECURITY

A CONTINUED FOCUS ON DATA PRIVACY AND INFORMATION SECURITY

Dollarama is absolutely committed to maintaining the privacy and security of its customers' personal data as well as its own proprietary information. The scope of our information security oversight encompasses all aspects of our wholly-owned Canadian operations, including our physical retail store network, e-commerce platform, and mobile application. Dollarcity, in which we have a 50.1% equity interest, apply similar processes and protocols as Dollarama.

Cybersecurity is the responsibility of the Information Security Committee, which is chaired by the Chief Information Officer and comprised of representatives from various functions of the organization, including information technology, finance, and legal affairs. The Committee sponsors the information security roadmap, and meets at least quarterly

to set priorities, review progress made on key initiatives, and discuss emerging developments in the space. The Chief Information Officer delivers regular updates to the Audit Committee.

ZERO
material data breaches to date



KEEPING CUSTOMER DATA SAFE

Our robust information technology department and dedicated information security team, with the support of third-party experts, work daily to ensure the integrity of our IT infrastructure and systems. We are Level 1 PCI DSS compliant and conduct annual audits to examine the security of our payment card processing system from beginning to end for our three environments (stores, e-commerce platform, mobile application). We also conduct annual third-party audits of our full IT environment to test for vulnerabilities and identify necessary corrective actions in the face of emerging threats.

As policy, we do not store any customer data such as cardholder information or other personally identifiable information on our in-store systems. For our e-commerce platform, we record certain personally identifiable information such as customer names and addresses. Payment card information is not stored by Dollarama and is handled by third-party processors. The same applies to our mobile application. As per our Privacy Policy, a customer can contact us or log into their account to review, update, make changes or request that we delete their personal data.

At the corporate level, we collect and maintain proprietary and confidential information related to our business activities and affairs, including our suppliers and employees. This data is stored and processed both onsite and at third-party facilities.

To date, Dollarama has never experienced a data breach resulting in the disclosure of personally identifiable information or material and proprietary corporate information and our goal is to maintain zero material data breaches in future.

A FOCUS ON CYBERSECURITY TRAINING

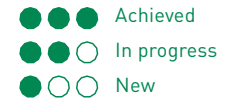
Raising awareness among employees regarding cybersecurity threats such as social engineering and phishing remains a key priority.

Dollarama has mandatory Cybersecurity Awareness training for all corporate employees and field management. This includes onboarding courses for new employees, and annual refresher modules for existing employees. These courses are intended to maintain awareness of risks, and to continually equip our employees with the tools needed to protect our business from cyberattacks. The Information Security Committee meets regularly to evaluate and adapt the training curriculum to ensure continued effectiveness and relevancy.

Dollarama's IT and information security teams conduct ongoing security preparedness through simulated phishing exercises and tabletop simulations to test the robustness of our policies, processes, and response plans.



GOAL TRACKING



CLIMATE CHANGE AND ENERGY MANAGEMENT

GOAL	METRIC	2020	2021
NEW Achieve 25% reduction in Scope 1 and 2 GHG emissions intensity by 2030 from 2019 baseline	Scope 1 and Scope 2 emissions (kg of CO ₂ e / ft ²)	5.3	5.3
Develop TCFD alignment roadmap		●○○	●●○
Enhance visibility and measurement capability of Scope 3 emissions		●○○	●●○
Retrofit all store light fixtures and exterior neon signage to LED lighting	% of store network with LED lighting	44%*	59%
Upgrade in-store energy management systems (EMS) across store network (in Dollarama-controlled and landlord-controlled stores)	% of stores with EMS	19%	40%

*Restated

TALENT ATTRACTION, DEVELOPMENT, AND RETENTION

GOAL	METRIC	2020	2021
NEW Maintain high rates of internal promotions	% District Manager positions filled via internal promotion	67%	100%
	% Store Manager positions filled via internal promotion	41%	50%
	% Assistant Store Manager positions filled via internal promotion	50%	60%
Complete roll-out of GPS training in stores in 2021		●●○	●●●
Develop and launch training application program for store associates by 2022		●○○	●●○

DIVERSITY, EQUITY, AND INCLUSION AND FAIR LABOUR PRACTICES

GOAL	METRIC	2020	2021
Maintain more than 30% female gender diversity on Board of Directors	% of female representation on Board of Directors	22%	33%
NEW Maintain more than 40% female gender diversity at management level	% of female representation at management level	41%*	44%
	% of female representation amongst all other employees	75%	74%
	% of female representation amongst store managers	72%	73%
Launch revamped and more comprehensive Code of Conduct and Ethics applicable to directors, management and all employees in 2022	% of employees having confirmed adherence with new code	●○○○	●●○○

*Restated

HEALTH AND SAFETY

GOAL	METRIC	2020	2021
Reduce frequency and severity of lost-time injuries	Not disclosed	●●○○	●●○○

PRODUCT SAFETY AND QUALITY

GOAL	METRIC	2020	2021
Eliminate the risk of short-chain chlorinated paraffins (SCCPs) presence in plastic products by requiring that manufacturers adopt alternative materials and techniques when possible, to minimize the environmental impact of our plastics products		●○○○	●●○○
Align Dollarama and Dollarcity compliance programs so that products systematically satisfy requirements in all distribution markets		●○○○	●●○○
Implement additional targeted product testing programs in line with Health Canada’s ongoing consumer product surveillance		●○○○	●●○○

RESPONSIBLE SOURCING, HUMAN RIGHTS AND FAIR LABOUR PRACTICES

GOAL	METRIC	2020	2021
Roll-out social audit program to all Tier 1 suppliers		●○○	●●○
Enhance disclosure on Tier 1 supplier social audit performance		●○○	●●○
Ensure that required Tier 1 suppliers are the subject of accredited social audits at minimum every three years		●○○	●●○
Roll-out of equivalent Vendor Code to Dollarcity direct suppliers by 2023		●○○	●●○

PRODUCT AND PACKAGING LIFECYCLE MANAGEMENT AND WASTE MANAGEMENT

GOAL	METRIC	2020	2021
NEW Increase waste diversion rates	% material diverted (from stores where Dollarama is responsible for waste collection)	75%	77%
	Metric tons of waste from stores diverted from landfill (from stores where Dollarama is responsible for waste collection)	34,000	40,000

DATA PRIVACY AND SECURITY

GOAL	METRIC	2020	2021
NEW Zero material data breaches	Number of material data breaches	0	0
	Percentage involving personally identifiable information (PII)	0%	0%
	Number of customers affected	0	0

ABOUT THIS REPORT

This report outlines our climate strategy and roadmap as well as provides an annual update on key material topics and goals. This is in complement to our **2021 ESG Report** published in June 2021 which provides a comprehensive overview of our approach to all our ESG priority issues.

In this report, references to a specific year are meant to designate the corresponding Dollarama fiscal year unless otherwise indicated. For example, reference to 2021 refers to the 12-month fiscal period beginning February 1, 2021, and ended January 30, 2022 as designated in our regulatory filings as Fiscal 2022.

Once again this year, our reporting has been prepared in alignment with the SASB Standards relevant to our industry sectors and with a number of the TCFD recommendations. Our updated SASB Index can be found in the Sustainability section of www.dollarama.com.

Note that as a publicly traded Canadian company, any issues deemed material to our business are addressed in

our continuous disclosure documents. As such, our ESG reporting should be read in conjunction with our regulatory filings. These are available at www.sedar.com under our company profile and in the Investor Relations section of www.dollarama.com.

The data contained in this report and in the SASB Index cover all areas of our Canadian business that are 100% owned and operated and reflects the most current annual data available. While reference may be made to Dollarcity, its activities and operations, which are not wholly-owned by Dollarama, are not included in the data disclosed in this report or in the SASB Index. The data contained in this report is unaudited.

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FORWARD-LOOKING INFORMATION

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

These factors include the inability to sustain our assortment and the replenishment of merchandise, the increase in the cost or a disruption in the flow of imported goods, the failure to maintain brand image and reputation, the inability to increase warehouse and distribution centre capacity in a timely manner, the market acceptance of private brands, the competition in the retail industry, general economic conditions, the departure of senior executives, the failure to attract and retain quality employees, the disruption in information technology systems, the inability to protect systems against cyber-attacks, adverse weather, pandemic or epidemic outbreaks, earthquakes and other natural disasters, climate change, geopolitical events and political unrest in foreign countries, unexpected costs associated with current insurance programs, product liability claims and product recalls, litigation, regulatory and environmental compliance, and shareholder activism. This is not a complete list of the risk factors that could affect Dollarama; however, these factors should be considered carefully. For more exhaustive information on risk factors, please refer to Dollarama's Management's Discussion and Analysis (MD&A) for the year ended January 30, 2022, and to subsequent quarterly MD&As for changes and updates to these risk factors, if any. These documents are available at www.sedar.com and www.dollarama.com.

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

INDUSTRY DATA

The industry data presented in this report has been obtained from a combination of third-party information, including third-party disclosures and websites, and estimates of management. While those external sources are believed to be reliable, they have not been independently verified, and management has no assurance that the information contained in third-party websites is current and up to date. While management is not aware of any misstatements regarding the industry data presented in this report, such data involves risks and uncertainties and is subject to change based on various factors.



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