

REPORT UNDER THE MODERN SLAVERY ACT

FOR THE FISCAL YEAR ENDED JANUARY 28, 2024

APRIL 16, 2024



About this Report

This report (the “Report”) is made in accordance with section 11(1) of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Modern Slavery Act” or the “Act”). This is a joint report in accordance with section 11(2)(b) of the Modern Slavery Act, made on behalf of Dollarama Inc. and its subsidiaries¹ which have an obligation to publish a report pursuant to the Act (collectively, for the purposes of this Report, “Dollarama”, the “Corporation”, “we”, “us” or “our”).

Unless otherwise indicated, the information in this Report is presented as at January 28, 2024, the last day of the Corporation’s most recently completed fiscal year. All references to “Fiscal 2024” are to the Corporation’s fiscal year ended January 28, 2024; and to “Fiscal 2025” are to the Corporation’s fiscal year ending February 2, 2025.

This Report contains forward-looking information and should be read in conjunction with the cautionary statement on forward-looking statements in the Corporation’s annual management’s discussion and analysis for Fiscal 2024 available on SEDAR+ at www.sedarplus.com and on the Corporation’s website at www.dollarama.com.

¹ Entities required to publish a report under the Modern Slavery Act, and therefore covered by this joint report, are Dollarama Inc., Dollarama L.P. and Dollarama GP Inc., each a wholly-owned subsidiary of Dollarama Inc. Dollarama L.P., acting by its general partner Dollarama GP Inc., operates the chain of Dollarama stores in Canada and performs related logistical and administrative support activities. Through Dollarama International Inc., a wholly-owned subsidiary of Dollarama Inc., Dollarama also owns a 50.1% equity interest in Central American Retail Sourcing, Inc., the parent company of the entities that operate the Dollarcity business, a Latin American value retailer operating stores in El Salvador, Guatemala, Colombia and Peru (“Dollarcity”). Dollarcity and Dollarama International Inc. are not entities required to publish a report under the Modern Slavery Act and this Report does not cover Dollarama International Inc.’s and Dollarcity’s operations and supply chains.

1. Introduction

At Dollarama, we recognize our responsibility to respect and protect human rights, particularly in the context of an international supply chain. Dollarama's framework for managing the risks of forced labour and child labour in direct operations and supply chain has been in place for several years. We are also committed to improving our human rights risk mitigation strategies to ensure their continued relevance.

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

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

Specifically, in Fiscal 2024, we continued our efforts on preventing and reducing the risk of forced labour and child labour in our business and supply chain by taking the following steps:

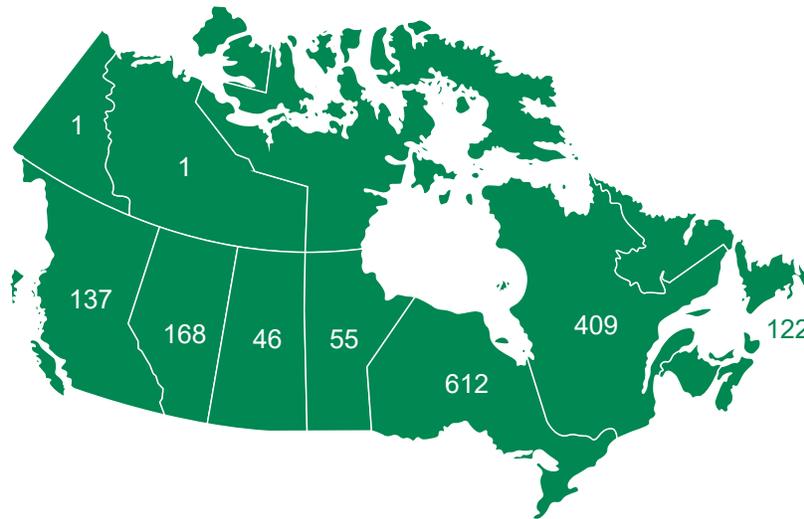
- We deployed a new and updated Code of Conduct, providing comprehensive and practical guidelines for engaging responsibly and ethically in personal conduct and business practices.
- We enhanced the features of our confidential Ethics and Compliance Hotline for all Dollarama team members, vendors, workers and other stakeholders, which is now available in more than 150 languages. We also deployed communications initiatives to increase awareness of the hotline as a resource for all workers across our operations from our stores to our head office, distribution centre and warehouses.
- We continued to enroll, based on factors such as country of manufacture and annual procurement volume, Dollarama vendors into our social audit program and engaged with select vendors to gain additional visibility on indirect vendors in our supply chain.
- We benchmarked our ethical sourcing policies and processes against those of leading peers and guidance from recognized international organizations, including the United Nations' Guiding Principles on Business and Human Rights.
- We updated our supply chain social risk assessment to more specifically identify the risk of forced labour and child labour and to continue to prioritize our mitigation efforts.
- We developed tailored mandatory training for our procurement team on forced labour and child labour risks.
- We continued to require our vendors to certify their compliance with our standards, as set out in our Vendor Code of Conduct, which clearly outlines our expectations regarding the safeguarding of human rights, before engaging in a commercial relationship with them.

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

3. Our Structure, Activities and Supply Chain

Our Structure and Operations

Dollarama Inc. is incorporated under the *Canada Business Corporation Act* and its common shares are listed on the Toronto Stock Exchange. Headquartered in Montreal, Quebec, Dollarama is a leading Canadian value retailer with more than 1,550 stores located in all ten provinces, the Yukon and the Northwest Territories.



1,551
stores across
Canada

1 distribution centre and
7 warehouses
in the Montreal area

28,350+
employees
in Canada

At Dollarama, our people are essential to delivering on our purpose and our value promise to our customers. Our diverse and dynamic workforce comprises over 28,000 directly employed team members in Canada who work in our stores, warehouses, distribution centre and head office to provide our customers with a broad assortment of affordable consumable products, general merchandise and seasonal items. The Corporation's logistics network relies on seven warehouses and one distribution centre located in the Montreal, Quebec area. The majority of our warehouse and distribution centre staffing needs are outsourced to a limited number of reputable third-party employment agencies. Those employment opportunities, which are all in Quebec, represent between 4% and 5% of our total workforce requirements, depending on volume and seasonality.

Additional information with respect to our corporate structure and operations can be found in our current annual information form available on SEDAR+ at www.sedarplus.ca.

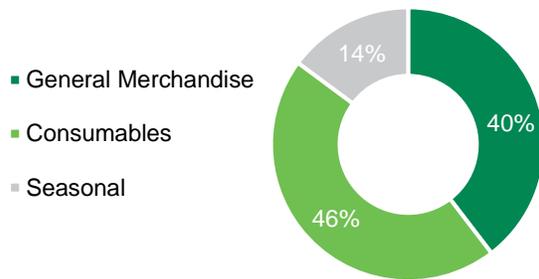
Our Supply Chain

Dollarama’s retail supply chain is multi-tiered, dynamic and complex. The Corporation’s sourcing strategy blends directly imported merchandise from overseas and products sourced from North American vendors. In Fiscal 2024, overseas imports, mainly from China but overall from over 25 different countries, and products sourced from North American vendors accounted for 48% and 52% of the total procurement volume, respectively.

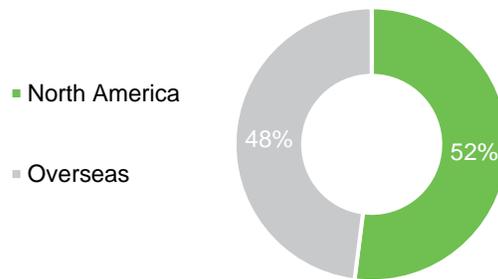
Vendors who manufacture goods and from whom Dollarama purchases goods directly are considered tier 1 vendors (“Tier 1 vendors”). Tier 2 vendors refer to commercial agents (“Tier 2 vendors”) that serve as intermediaries between Dollarama and other vendors, including manufacturers. Tier 1 and Tier 2 vendors are referred to as direct vendors. There are thousands of other vendors that contribute to Dollarama’s supply chain through the provision of goods and services to Tier 2 vendors. These vendors are indirect vendors and are often referred to as tier 3 vendors or vendors beyond Tier 2.

Dollarama’s vendor base is well diversified. The Corporation globally sources products from over 1,250 vendors, with the largest vendor accounting for approximately 6% of our total purchases in Fiscal 2024. For the same period, the top ten vendors represented approximately 31% of total purchases and the top 25 vendors represented approximately 44% of total purchases. The Corporation generally does not enter into long-term purchase contracts or arrangements but rather, purchases products on an order-by-order basis. Dollarama has also developed direct relationships with overseas Tier 1 and Tier 2 vendors since 1993. By dealing directly with overseas vendors, the Corporation develops product design, packaging and labelling concepts for private label brands, minimizes markups and overhead costs typically associated with intermediaries and importers and increases its bargaining power. This sourcing strategy also provides the Corporation with more visibility and control over safety and quality monitoring.

Merchandise Mix
(Fiscal 2024)



Sourcing Mix
(Fiscal 2024)



4. Risks of Forced Labour or Child Labour in our Operations and Supply Chain

Direct Operations

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

All of Dollarama's approximately 28,000 team members are directly employed, providing the Corporation with direct insight into the working conditions and terms and conditions of employment set out in employment contracts regulated by the applicable provincial/territorial labour laws. Dollarama is committed to providing a work environment that respects human rights and that supports the fair and equal treatment of all individuals. As part of this commitment, Dollarama complies with all applicable wage and working hour laws, including those related to minimum wage, overtime and maximum hours. Additionally, Dollarama's policy framework, including our Code of Conduct and grievance mechanisms, contributes to mitigating the risks of forced labour and child labour throughout our national operations. Please refer to "Remediation Measures" below for further details on how employees or other stakeholders can raise a concern or complaint.

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

Supply Chain

As a large retailer with a business model based on low-cost goods globally sourced from an important number of direct and indirect vendors, Dollarama is aware that its broad supply chain may present human rights risks.

The products we purchase have different social risk profiles based on their nature and country of manufacture. We therefore assess human rights risks in our supply chain by identifying risks related to the geography of the manufacturing countries from which we source, and risks associated with the type of products. Our risk mapping is based on information derived from publicly available databases that provide estimated prevalence of forced labour and child labour per country, such as Walk Free's Global Slavery Index (the "Global Slavery Index") and the U.S. Department of Labour's List of Goods Produced by Child Labour or Forced Labour. This information is complemented by information obtained from independent third-party risk assessments and advice, internal data and industry standards. Based on the results of our risk assessment, we prioritize our mitigation efforts.

Most regions in China, one of our key sourcing countries as outlined above, are generally considered to be medium risk jurisdictions². Given the large volume of goods we source from China, this country remains an area of particular focus of our human rights risk mitigation strategy.

² See: <https://cdn.walkfree.org/content/uploads/2023/09/27162417/GSI-Snapshot-China.pdf>

We view the Corporation's risk exposure from countries that are considered to have the highest risk of forced labour and child labour according to the Global Slavery Index as being minimal, as purchases originating from these countries represent less than 1.5% of our total annual procurement volume. We nonetheless pay particular attention to any purchases from these countries and have implemented targeted due diligence measures, as described further in this Report.

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

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

We acknowledge that forced labour and child labour risks, like our global supply chain, are constantly evolving and we are committed to improving our human rights risk mitigation strategies to ensure its continued relevance. To achieve this, we aim to regularly reassess the risks in our supply chain and proactively identify new areas where human rights risks may arise.

5. Our Policies and Due Diligence Processes

Dollarama's purpose is to provide Canadians from all walks of life with access to affordable and quality safe products, but not at the expense of the dignity, safety or wellbeing of the workers in our operations and supply chain.

Our human rights risk mitigation strategy, which comprises processes that have been in place for several years, includes assessing actual and potential human rights risks, integrating and acting upon the findings of such assessment and tracking responses and the effectiveness of any measures implemented. The responsibilities for the various components of our processes and governance framework are also clearly defined at the board and management level.

Human rights matters are ultimately the oversight responsibility of the Corporation's board of directors (the "Board of Directors") and are embedded in our governance framework as well as the charters of relevant board committees. This includes, but is not limited to, the Audit Committee's enterprise risk management responsibilities. Management is responsible for identifying and reporting to the Board of Directors on human rights risks, as part of its risk management activities, and for operationalizing our various human rights risk mitigation strategies and related accountability mechanisms.

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

Our Policies

Our Code of Conduct and Ethics

In Fiscal 2024, we launched our revamped Code of Conduct and Ethics (the “Code of Conduct”) which outlines the ethical and legal standards Dollarama expects all its employees, executive officers and directors to uphold in their personal conduct and business practices. The Code of Conduct covers key issues such as human rights, discrimination, harassment and violence, health and safety and compliance with laws and regulations. It also outlines our commitment to provide a working environment that respects human rights and promotes the fair and equal treatment of all individuals, and to not tolerate the use of child or forced labour anywhere in our facilities or supply chain.

Upon joining Dollarama, all employees are provided with a copy of the Code of Conduct, which they must review, understand and agree to comply with. An annual refresher is embedded in the yearly performance review process. Any actual or potential violations of the Code of Conduct, including provisions with respect to human rights, discrimination, harassment and violence, may be reported using our confidential grievance mechanisms, including our Ethics and Compliance Hotline. All reported matters are evaluated and investigated before Dollarama takes prompt and appropriate action to address any substantiated complaints. Please refer to “Remediation Measures” below for further details on how employees and other stakeholders can raise a concern or complaint.

Dollarama’s Code of Conduct is available on the Corporation’s website at www.dollarama.com.

Our Vendor Code of Conduct

Since the launch of its first version in 2015, the Vendor Code of Conduct has remained a key pillar of Dollarama’s human rights risk mitigation strategy.

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

Available in multiple languages, the Vendor Code of Conduct covers key issues including vendor workplace standards and ethical business practices. It is regularly reviewed to ensure that it captures the evolving human rights risks in our supply chain. In 2021, it was the subject of a comprehensive update in alignment with the standards set out in the Organisation for Economic Co-operation and Development (“OECD”) Guidelines for Multinational Enterprises, which draw on the United Nations “Protect, Respect and Remedy” Framework and Guiding Principles on Business and Human Rights.

With respect to forced labour and child labour practices, the Vendor Code of Conduct strictly prohibits all Dollarama vendors from directly or indirectly using or supporting any form of child labour or forced labour in the manufacture of products or provision of services to Dollarama, whether prison (remunerated or not), indentured, bonded, trafficked, under government compulsion, as part of an assimilation program, or otherwise. Vendors must also provide wages and benefits that comply with applicable labour laws, subject only to deductions expressly permitted by law. The Vendor Code of Conduct also proscribes our vendors from partnering with third-party labour agencies that charge fees to workers for securing employment, or who make illegal deductions from their wages.

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

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

Vendors are responsible for communicating the requirements of the Vendor Code of Conduct throughout their organization and for ensuring that their employees do not violate its standards. Dollarama also expects its vendors to evaluate and uphold the integrity of their respective supply chains, and to ensure that their own business partners that directly or indirectly provide goods or services used in the production of goods sold to Dollarama understand and act in accordance with the Vendor Code of Conduct and applicable laws at all times.

Dollarama's Vendor Code of Conduct is available on the Corporation's website at www.dollarama.com.

Our Social Audit Program

Dollarama launched its social audit program in 2019 to further mitigate human rights risks throughout its supply chain, including forced labour and child labour risks. The program allows Dollarama to assess the practices of vendors against the standards set out in the Vendor Code of Conduct.

To maximize the impact of our program, we take a risk-based approach to supply chain management. In line with this approach, Dollarama selects vendors for enrollment based on country of manufacture and annual procurement volume. Dollarama's social audit program is currently focused on overseas Tier 1 vendors located in jurisdictions in which higher prevalence of human rights violations have been identified. Additionally, as one of our key sourcing countries, all Tier 1 vendors located in China are automatically included in our social audit program if they meet the minimum annual procurement threshold.

Our social audit requirements also apply beyond Tier 1 vendors in countries associated with the highest estimated prevalence of forced labour and child labour according to the Global Slavery Index, regardless of annual procurement volume.

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

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

During the last financial year, Dollarama engaged with its largest Tier 2 vendors to gain visibility on the factories that supply goods to Dollarama through these vendors. As a result of these efforts, a significant number of indirect vendors have shared social audit reports with us in line with

recognized frameworks such as BSCI, SMETA and SA8000, giving us greater insights into forced labour and child labour risks beyond our Tier 1 vendors.

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

6. Remediation Measures

To encourage anyone to report any violations of our Code of Conduct, Vendor Code of Conduct, applicable laws or any unethical behaviour, including forced labour or child labour, we have established dedicated whistleblower communication channels. At their discretion, employees, vendors, workers and other stakeholders may call Dollarama's confidential Ethics and Compliance Hotline available 24/7 at (833) 945-1568, operated by NAVEX, an independent and secure reporting service, or submit confidential complaints online at dollarama.ethicspoint.com or directly to the Corporation by emailing ethics@dollarama.com.

Channels available to raise a concern or complaint

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



We have an established incident management and remediation process to ensure that we respond to complaints in an effective and timely manner. All reported complaints are treated on a confidential and anonymous basis. Upon receipt of a complaint, a report is created and assigned to the appropriate reviewer to evaluate the reported matter, depending on the nature of the complaint and the individuals involved. An investigation is then carried out, if necessary, before prompt and appropriate action is taken to address substantiated complaints. In Fiscal 2024, none of the complaints reported to the Corporation involved forced labour or child labour.

Within our Vendor Code of Conduct, vendors are expected to meet the standards of their industry, including the OECD Guidelines for Multinational Enterprises, and comply with all applicable laws and regulations. This includes an obligation on vendors' part to evaluate and uphold the integrity of their respective supply chains, and to ensure that their own commercial partners operate in accordance with the standards articulated in the Vendor Code of Conduct. Vendors also have an ongoing obligation to disclose to Dollarama, without delay, any known violations of the Vendor Code of Conduct. With respect to the application of the Vendor Code of Conduct, reported violations are escalated to the head of the Legal Department who, based on the circumstances and nature of the violation, will report directly to the Chief Executive Officer and ultimately to the Audit Committee, to which the Board of Directors has delegated primary risk oversight responsibility.

Dollarama's approach to remediation is based on collaboration and transparency. Should a vendor fail to comply with the Vendor Code of Conduct or report a known violation by one of its commercial partners in a timely manner, the vendor must propose and implement a corrective action plan to bring its business up to Dollarama's standards within a reasonable timeframe. Where possible, we will consider how we can use our influence to work with vendors throughout our supply chain to address social issues. However, the Corporation may consider terminating its business relationship with them. To this date, the Corporation has not had to terminate a business relationship due to instances of forced labour or child labour.

7. Training

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

In Fiscal 2025, Dollarama rolled out tailored, mandatory human rights-specific training for its procurement team. The scope of the training focused on key topics including, but not limited to, our obligations under applicable laws, identifying risk factors for potential human rights violations, our policies and due diligence processes to address forced labour and child labour risks. We intend to further promote understanding of the risks and impacts of forced labour and child labour through the sharing of awareness-raising materials and knowledge with other Dollarama team members.

8. Assessing the Effectiveness of our Actions

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

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

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

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

9. Approval and attestation

This Report was approved by the Board of Directors of Dollarama Inc. as being a joint report of Dollarama Inc., Dollarama L.P. and Dollarama GP Inc. for the financial year ended January 28, 2024, in accordance with subparagraph 11(4)(b)(ii) of the Modern Slavery Act.

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

(signed) Stephen Gunn

Stephen Gunn

Chairman of the Board of Directors