

DOLLARAMA

SERVING CANADIANS WITH PURPOSE

ESG REPORT
JUNE 2024





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MESSAGE FROM THE CHAIR AND THE CEO

GUIDED BY OUR PURPOSE

In FY24, we continued to progress on our ESG strategy, as several existing initiatives came to maturity and as we pursued new initiatives that push ESG further in our value chain. As we look to the next stage of our journey, ESG will stay firmly rooted in our goal-oriented and efficient culture while remaining compatible with our unique business model and ambitious growth objectives.

From an ESG governance and risk perspective, the Board of Directors and management were active in FY24, further integrating priority topics into internal processes. Additional climate risks were incorporated into our annual enterprise risk management process and we updated our supply chain social risk assessment. The Board officially introduced ESG-related performance metrics into named executive officer compensation for FY25, while several continuing education sessions were held on ESG-related topics ranging from anticipated disclosure standards to cybersecurity. Throughout the year, management, with the full support of the Board, also actively engaged with investors on key ESG topics to explain our approach and to better understand their expectations.

Looking at our direct operations, we were again proud contributors to Canada’s economic development, providing secure employment, opening new stores and renovating existing ones, and procuring and efficiently distributing goods across the country. Our people are essential to delivering on our value promise and growth plan. This is why we constantly invest in talent attraction, retention and development and we are committed to promoting a safe and inclusive work environment. As part of this effort, we implemented new technologies in FY24 to simplify and

accelerate hiring processes and streamline performance management, while enhancing our portfolio of employee training and development programs.

We made further gains in operational efficiency in FY24 with the accelerated deployment of our energy efficiency projects, initiatives which are nearing completion and have helped us reduce our carbon intensity despite growth in our operations. Looking ahead and as we evaluate the next phase of our climate strategy, we will continually evaluate the levers available to lessen our carbon footprint.

Looking beyond our own operations, we recognize our responsibility to respect and protect human rights and the environment in the context of an international supply chain. In addition to our updated social risk assessment, FY24 also marked the completion of the roll-out of our initial Social Audit Program scope targeting Tier 1 vendors. We intend to include additional vendors in the next phase as we aim to expand the comprehensiveness of our program.

While new initiatives across our key pillars are important to our move towards a more comprehensive value chain approach, many of our core product and customer-related focus areas will remain largely unchanged. Product quality and safety, and product accessibility – from a physical proximity and economic standpoint – are key tenets of both our business strategy and our ESG considerations. We play a key role in the Canadian retail ecosystem, and we work tirelessly every day to strengthen that position.

As we advance towards future ESG milestones, we will not lose sight of our purpose, which has guided us well

on this path to date. While we are proud of all we have achieved so far, we will remain disciplined and mindful of the challenges that will come with integrating our ESG initiatives across our value chain. We will focus on setting attainable objectives that address issues that we have the power to influence and that are relevant to our business. We will engage with our key stakeholders along the way to understand their expectations, while always staying true to the value and convenience promise to our customers.



Neil Rossy
President and CEO



Stephen Gunn
Chair of the Board

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MESSAGE FROM THE CFO

A FIRM FOUNDATION FOR THE NEXT PHASE OF OUR JOURNEY

Dollarama has spent the last few years building a robust framework to support the execution of our ESG strategy, improving our disclosure and advancing our existing initiatives. That work paid off in FY24: we made advances on all fronts that will serve us well as we embark on the next phase of our journey.

While our ESG pillars and priorities are clear and founded in accordance with our wider business purpose, we always remain ready to adapt them in response both to shifts in the ESG landscape, including sustainability reporting updates from CSSB and ISSB, and to direct input from stakeholders. The ownership and governance of our priority topics are also now well-embedded within the organization and championed at its highest levels.

In FY24, we took additional steps in the right direction and further increased alignment with TCFD recommendations. We incorporated additional climate risks into our enterprise risk management process and, with this Report, have provided our most comprehensive disclosure to-date of the types of climate risks and opportunities we consider, along with mitigating factors identified.

Our efforts to meet recognized standards and enhance transparency on key ESG topics have not gone unnoticed. Our Sustainalytics ESG Risk Rating improved from medium to low risk in April 2024, and we have maintained our MSCI ESG Rating of A. While we are mindful that much work remains to be done – and are committed to that work – we are encouraged and galvanized by this recognition. This Report also marks the second consecutive year of achieving limited third-party assurance on select indicators, including Scope 1 and 2 GHG emissions intensity.

One area of continued focus has been the improvement of ESG data collection and controls, in the context of the challenges inherent to this work in addition to those posed by our business model and continued growth. In FY24, with the support of a third-party expert and guided by the GHG Protocol standard, we improved the accuracy of our GHG methodology, including in respect of heating consumption data. While these changes to our methodology give us better insights on our GHG emissions hotspots and will inform our climate strategy, such changes have resulted in revisions to our prior GHG emissions related disclosures. They also require us to re-evaluate our Scope 1 and 2 GHG emissions intensity target. As a result, we will re-evaluate our climate strategy from goal to lever, with a view to disclosing our progress in our FY25 ESG Report.

Beyond enhanced data-gathering, the reassessment of our climate strategy is also timely in light of the anticipated completion of our energy efficiency projects in FY25. In addition, we are adopting a more comprehensive view of our value chain, given that impact goes beyond our direct operations. This broader focus is reflected in the many initiatives underway that address our extended supply chain: from our ongoing quantification of Scope 3 GHG emissions categories and greater engagement with landlords and service providers on ESG topics, to the broadening of our Social Audit Program to additional product vendors.

As we evolve our ESG and climate strategy, building upon an increasingly stronger foundation and framework, we remain guided by our goal-driven philosophy focused on meaningful and achievable goals. We look forward to your feedback on this year's Report and to continuing to engage with our key stakeholders throughout the year.



Patrick Bui
Chief Financial Officer



Marie Rougier
ESG Manager

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OUR BUSINESS AT A GLANCE

Providing Access to Affordable Everyday Products

Dollarama is a recognized Canadian value retailer offering a broad assortment of affordable consumable products, general merchandise and seasonal items through a diverse and dynamic team serving customers in all ten provinces and in two territories.

Our quality products, available at select, low fixed price points, appeal to all demographics and income ranges. Our corporately operated stores across Canada provide compelling value in convenient locations, including metropolitan areas, mid-sized cities and small towns. Select products are also available, by the full case only, through our online store.

Our Purpose



To provide Canadians from all walks of life with the best quality and value on every dollar they spend and with proximity and convenient access to affordable, everyday items that address their needs and exceed their expectations.

Our Vision



To be the leading value retailer in every market in which we operate, providing customers with unsurpassed value for their hard-earned money.

FY24 Key Figures



\$5.9B

in revenues



28,350

employees



Top 10

most reputable brand in Quebec and Canada according to Léger's 2024 Reputation survey



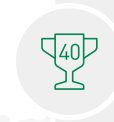
1,551

Dollarama stores



~85%

of Canadians live 10 km or less from a Dollarama store



Top 40

most valuable brand in Canada according to Brand Finance's Canada 100, 2024 ranking



\$0.87 - \$5.00

Merchandise sold at low fixed price points



~7.5M+

customers shop weekly at Dollarama whether in-store or online

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BOARD OF DIRECTORS

- Oversees Dollarama’s corporate strategy, enterprise risk management framework, corporate governance policies and human capital management
- Maintains oversight of ESG-related risks and opportunities and delegates oversight and monitoring of specific ESG matters to appropriate Board committees
- ESG matters embedded in Board mandate and all Board committee charters
- Ongoing engagement with various stakeholders regarding ESG
- Ensures Dollarama has appropriate and timely ESG disclosure

AUDIT COMMITTEE

- Oversees ESG risks associated with operations and supply chain
- Receives and reviews quarterly reports from management on ESG-related risks, strategies and opportunities, including climate strategy
- Assesses adequacy and effectiveness of management’s ability to monitor, manage and mitigate ESG risks
- Reviews ESG disclosure

HUMAN RESOURCES AND COMPENSATION COMMITTEE

- Reviews policies and practices related to human capital management, including from an ESG perspective
- This includes those related to corporate culture, recruitment, retention, incentives, advancement, as well as practices for supporting diversity and inclusion and health and safety in the workplace

NOMINATING AND GOVERNANCE COMMITTEE

- Develops and enhances the Corporation’s approach to matters of corporate governance, including Board diversity, ethics and fair business practices
- Assesses, develops, recommends and implements corporate governance policies and guidelines, including from an ESG perspective
- Oversees the management of human rights risks in the Corporation’s operations and supply chain and reviews disclosure in that regard

MANAGEMENT COMMITTEE

- Identifies ESG risks and opportunities
- Develops and implements ESG strategies in alignment with business priorities and stakeholder interests
- Reports to the Board of Directors and its committees on ESG risks and opportunities
- Engages with shareholders on ESG issues and provides feedback to the Management Committee and the Board of Directors

CHIEF FINANCIAL OFFICER

- Leads the Corporation’s ESG and climate strategy, including reporting progress to the Audit Committee
- Engages with internal and external stakeholders on ESG matters

ESG STEERING COMMITTEE

- Implements and tracks projects in support of the Corporation’s ESG strategy
- Monitors and identifies ESG and climate-related opportunities, risks, trends and regulations in support of the Management Committee

Comprised of:

- Chief Financial Officer¹
- ESG Manager
- Senior Vice President, Human Resources¹
- Senior Vice President, Import Division¹
- Senior Vice President, Legal Affairs and Corporate Secretary¹
- Senior Vice President, Replenishment¹
- Senior Director, Legal Affairs and Privacy Officer
- Director, Regulatory Affairs, Compliance and Quality Assurance

ESG MANAGER

- Dedicated ESG Manager responsible for supporting the development, execution and disclosure of the Corporation’s ESG strategy, reporting directly to the CFO
- Coordinates and supports internal stakeholders, including through capacity building
- Assesses relevance of best and emerging ESG practices

¹ Member of the Management Committee, reports directly to the President and CEO

RESOURCE CORNER

Board Mandate [↗](#)

Board Committee Charters [↗](#)

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FY24 ESG PILLARS AND PRIORITY TOPICS

Our Products and Customers

- Product Accessibility
- Product Safety and Quality
- Environmental and Social Components in Products
- Packaging

Our Operations and Climate Strategy

- Climate Strategy
- Energy Management
- Operational Waste
- Transportation

Our People

- Talent Attraction, Development and Retention
- Fair Labour Practices
- Health and Safety
- Diversity and Inclusion

Our Supply Chain

- Supply Chain Management
- Human Rights and Environment
- Supply Chain Accountability

Our Governance

- Governance Framework
- Ethics and Fair Business Practices
- Information Security and Privacy



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Dollarama’s ESG strategy is driven by sustainable value creation and embedded in our unique, highly efficient and low-cost business model. Current ESG focus areas and priority topics are based on their importance and relevance to our business, our ability to exert control or influence, and stakeholder feedback. They are identified and prioritized as follows:

1. TOPIC IDENTIFICATION

ESG topics are continuously reviewed and identified through:

- Our annual enterprise risk management (“ERM”) process
- Topics and metrics from relevant SASB standards, including but not limited to, for Multiline and Specialty Retailers & Distributors
- TCFD recommendations
- ESG rankers’ and raters’ scoring criteria
- Monitoring of evolving ESG standards, such as ISSB and CSSB
- Peer benchmarking
- Ongoing stakeholder engagement and feedback, as detailed in the table

2. TOPIC PRIORITIZATION

Identified ESG topics are then prioritized by taking into account (1) stakeholder feedback, (2) their significance to the business as determined by the annual ERM process, and (3) their relevance to our business and our ability to exert influence.

FY24 ESG pillars and priority topics remain generally aligned with those identified in previous reporting, but they continue to evolve and expand based on evolving standards and expectations, and as we improve our disclosure.

RESOURCE CORNER

Glossary of ESG Terms



	Stakeholder	Communication Channel	Frequency of Communication	
Internal	Board of Directors	Board meetings	Quarterly to twice a year as per Board charters, and on a needs basis	
		Board committee meetings		
		ERM process		
	Management	Management Committee	Monthly	
ESG Steering Committee		Quarterly		
ERM process		Annually		
Employees	Procurement, Operations, Transportation and Logistics, Legal and Regulatory, Human Resources, Information Technology, Finance and Risk Management	ERM process	Annually and in the normal course of business	
		Company and department meetings		In the normal course of business
		Training sessions		
Employees	Procurement, Operations, Transportation and Logistics, Legal and Regulatory, Human Resources, Information Technology, Finance and Risk Management	Performance reviews	In the normal course of business	
		Whistleblower communication channels		
		Whistleblower communication channels		
External	Shareholders and Shareholder Representatives	Direct engagement	On an ongoing basis	
		Earnings calls	Quarterly	
		Annual meeting of shareholders	Annually	
		Investor relations inbox	Ad-hoc	
	ESG inbox			
	Vendors	Procurement process	Vendor Code of Conduct	In the normal course of business
			Direct engagement	
			Social Audit Program	
			Whistleblower communications channels	
	Customers and Communities	Customers and Communities	In stores	In the normal course of business
Customer service channels				
Corporate website				
Customers and Communities	Customers and Communities	Social media	In the normal course of business	
		Social media		

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SELECT FY24 REPORT HIGHLIGHTS



Identification of 5 key Scope 3 GHG emissions categories

in support of ongoing quantification objective for FY25

53%

of store network now equipped with energy management systems, representing a 43% increase over FY23

80%

of stores now equipped with LED lighting, representing a 21% increase over FY23



Launch of pilot project using electric trucks

to shunt trailers between our warehouses and distribution centre



New HR technologies

deployed to accelerate hiring, support talent retention and performance management



Dollarama named to The Globe and Mail's annual Women Lead Here benchmark

for having a significant number of women in leadership positions

60%

of all hires and 50% of Management¹ hires in FY24 identified as women

33%

female and 33% visible minority representation among Executive Officers



Completion of roll-out of initial Social Audit Program scope targeting T1 vendors

Inclusion of additional vendors for next phase of Social Audit Program



Zero

material data breaches to date, including with personally identifiable information



Sustainalytics ESG Risk Rating improved from medium to low risk in April 2024



MSCI ESG Rating of A maintained

¹ Dollarama defines Management as its named executive officers, senior vice presidents, vice presidents, senior directors, directors, regional district managers and district managers. Our definition differs from SASB metrics.



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OUR PRODUCTS AND CUSTOMERS

Dollarama's success is dependent on its ability to provide convenient access to affordable, quality products that meet or exceed evolving customer expectations as well as Canadian product safety standards. Ensuring that our stores and compelling products are both physically and economically accessible is not only fundamental to our business strategy, but also to our purpose and to the benefit of Canadians from all walks of life.

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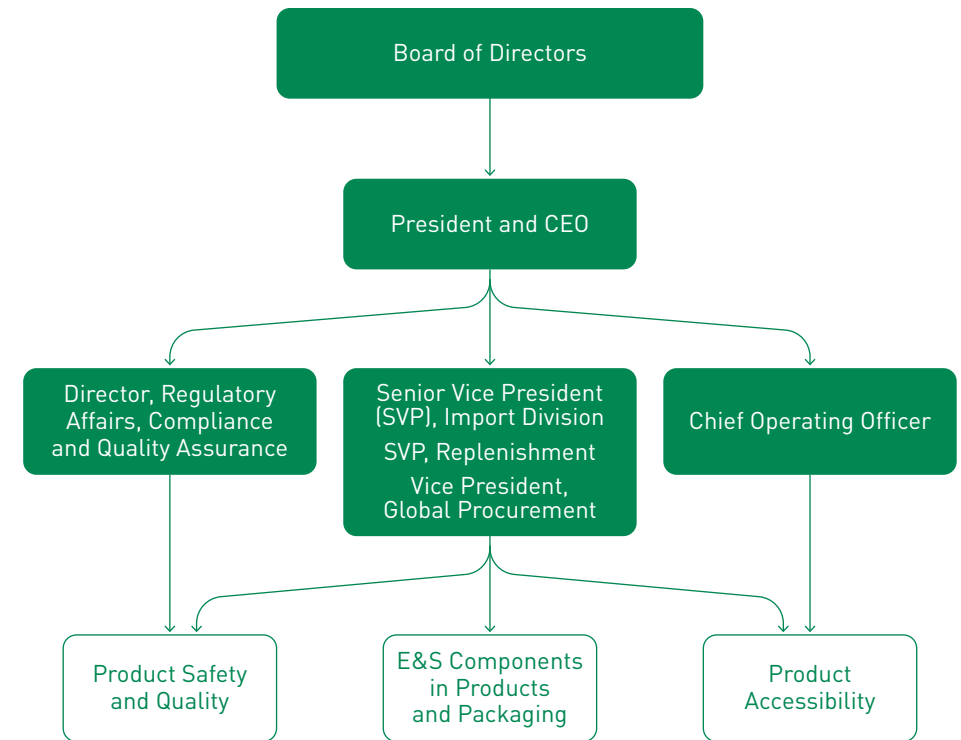


GOVERNANCE OF PRIORITY TOPICS

At the management level, several members of the Management Committee hold specific responsibilities regarding product and customer-related priority topics, given that they are core to the Corporation’s purpose and business strategy. The Management Committee is further supported by the Compliance and Legal departments to ensure compliance with product quality, safety and labelling standards.

The Board has ultimate oversight of the Corporation’s business strategy, as well as product and customer-related priority topics.

More information available under [ESG Governance](#).



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PRODUCT ACCESSIBILITY

As a leading Canadian value retailer, our commitment is to provide the best year-round value for each product we offer within our low fixed price points, providing convenient access while expanding our national network. The affordability of our products, coupled with our physical proximity, are key to ensuring product accessibility for all Canadians.

We are continuously adjusting our pricing structure to deliver on our promise to our customers. We do this by leveraging our direct sourcing platform and cost-effective business model to deliver a wide range of compelling private-label and recognized national brand products.

Dollarama's Approach to Affordable Prices



Direct Procurement and Active Product Management

- Strong direct-sourcing capabilities and purchasing power enabling us to offer products at lower cost.
- Regular refresh of our product offering throughout the year.



Wide Range of Pricing Options Across Categories

- Products available at different price points across all categories and departments.
- Aim to provide the best relative value on the market for each product across a broad assortment.



No-Frills Packaging Design and Branding

- Private-label branding and packaging on large proportion of products helps generate savings for customers.
- Limited to no marketing, promotional or advertising activities.

Product Categories¹



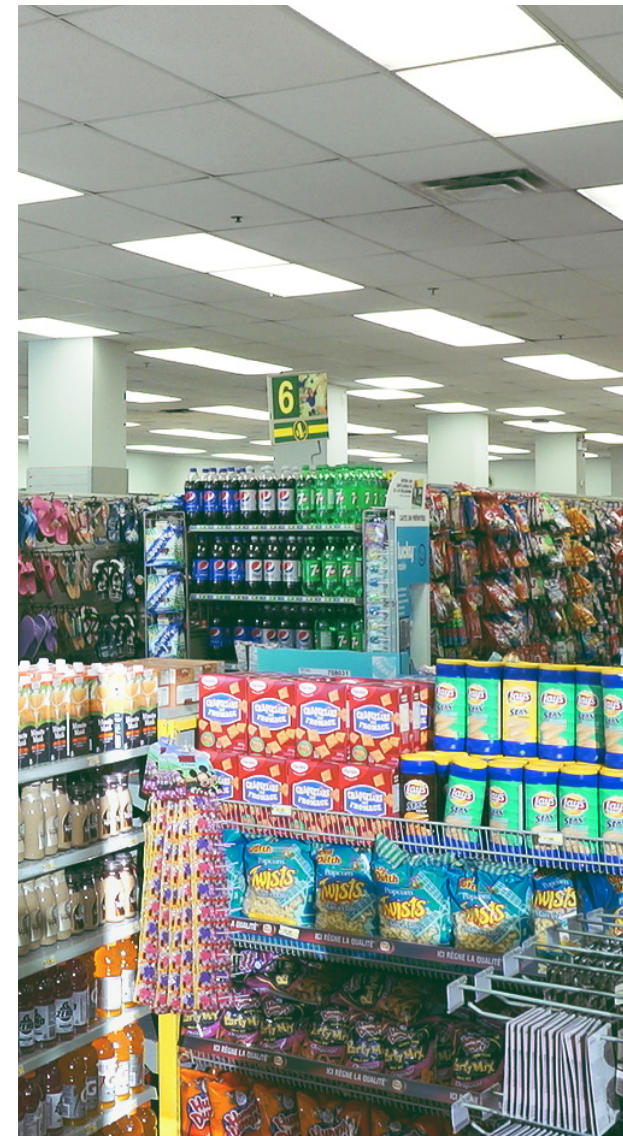
Consumables	46%
General Merchandise	40%
Seasonal	14%

Brand Mix¹



Private Label	60%
National Brands	40%

¹ By retail value for FY24



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As we pursue our growth, we continue to increase our proximity to our customers in communities across Canada. When selecting new locations, we look at all types of markets, from rural to urban locations, to deliver affordable, quality products everywhere our customers need us to be.

The economic accessibility of our products and physical proximity of our stores are core to our business strategy and we are increasingly taking ESG considerations into account as we execute it. For example, with respect to economic accessibility, our commitment to responsible selling and pricing practices is embedded in our procurement and merchandising practices. From a physical proximity standpoint, we do not privilege or target any specific geography, market type or segment of the population. In all respects, we aim to cater to consumers across all demographics. We also continue to increase our proximity with Indigenous communities across Canada. In FY24, we had 7 on-reserve locations in Canada, and we continue to assess opportunities as they arise.



“Increasing our proximity to customers is key to ensuring that Canadians from all walks of life can conveniently and easily access a broad assortment of affordable everyday essentials. As we pursue our growth, this drives our motivation to reach new customers and serve additional Canadian communities from coast to coast.”

— **Johanne Choinière**,
Chief Operating Officer

FY24 Store Footprint by Market Type



Satellite	31%
Suburban	26%
Urban	26%
Rural	17%

FY24 Store Footprint by Geography



Ontario	40%
Quebec	26%
Western Canada	26%
Atlantic Canada	8%



1,551

Dollarama stores located in all ten provinces and two territories at FY24 year-end



65

net new stores opened across Canada and across market types in FY24



~85%

of Canadians live 10 km or less from a Dollarama store

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PRODUCT SAFETY AND QUALITY

SASB CG-MR-410a.2

Our Approach

We offer a broad product assortment including household cleaning and personal care products, toys, food items, over-the-counter health products and apparel. Nearly half of the products we offer are directly sourced outside of North America from over 25 countries around the world, with the balance sourced from North American vendors. In this context, we work diligently to consistently meet Canadian standards and regulatory requirements across our product offering.

Identifying and Assessing Potential Risks

Our product compliance framework is built upon meeting regulations, regulatory guidance, a risk-based assessment for each product, as well as ongoing product performance monitoring. Depending on the product category or individual product characteristics, we assess chemical safety, food safety, mechanical testing and/or product labelling and certification. We also monitor for multiple specific chemicals and substances, such as short-chain chlorinated paraffins (“SCCPs”), bisphenol A, formaldehyde and phthalates.

Our ongoing product safety processes, active monitoring of regulations and ongoing external and internal engagement all support our ability to maintain compliance with Canadian product quality and safety standards and requirements. These same processes also enable us to identify potential emerging materials, substances or chemicals of concern.

In FY21, we set a goal to 1) mitigate the risk of SCCPs present in plastic products by requiring that manufacturers adopt alternative materials and techniques, and 2) implement targeted product-testing of products in line with Health Canada’s ongoing consumer product surveillance. In FY24, we concluded that the actions taken to advance these



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goals were now well-ingrained in our processes. As a result, we are retiring these two goals, which we now consider to be ongoing in our day-to-day practices, under the responsibility of our Compliance team.

Safety and Quality Throughout the Product Lifecycle

Safety starts at product selection, or even earlier, at product design, for private-label products manufactured for Dollarama. Our processes involve regular communication with our vendors to ensure that our standards and requirements are met and understood.

Several requirements must be met before products can be shipped to Dollarama regarding testing, certification and labelling, among others. For example, testing conducted by an independent third-party prior to shipping may include chemical, material, mechanical, performance, functionality and/or durability criteria. In addition, all food factories must be GSFI-certified or ISO 22000 compliant.

When goods are received from vendors, they undergo additional checks based on product category and risk profile. Dollarama’s facilities are regularly inspected by various Canadian regulatory authorities with consumer product, medical device or food product oversight.

Once products are available for purchase, ongoing communications between the Compliance team and internal and external stakeholders, including operations and customer service, ensure that any product concern raised or defect identified is promptly addressed, including through investigations and corrective actions. Product recalls, should they occur, are widely communicated and systematically published on our website to ensure that the information is readily available to all stakeholders.

RESOURCE CORNER

Recall Information



Dollarama Private-Label and National Brand Recalls

SASB CG-TS-250a.1, FB-FR-250a.2, HC-DR-250a.2		FY23	FY24
Total	Total number of recalls	5 ¹	2 ⁴
	Total number of units recalled	108,616	430,946
	• % of units recalled that are private label	15.8%	3.4%
	• % of units recalled that are national brands	84.2%	96.6%
Food Recalls	Total number of recalls	-	1 ⁵
	Total number of units recalled	-	416,529
	• % of units recalled that are private label	-	-
	• % of units recalled that are national brands	-	100%
Toy Recalls	Total number of recalls	-	1 ⁶
	Total number of units recalled	-	14,417
	• % of units recalled that are private label	-	100%
	• % of units recalled that are national brands	-	-
Consumer Product Recalls	Total number of recalls	4 ²	-
	Total number of units recalled	64,974	-
	• % of units recalled that are private label	26.5%	-
	• % of units recalled that are national brands	73.5%	-
Health Product Recalls	Total number of recalls	1 ³	-
	Total number of units recalled	43,642	-
	• % of units recalled that are private label	0%	-
	• % of units recalled that are national brands	100%	-

1 Two private-label recalls and three national brand recalls

2 Paw Patrol Licensed 16oz Water Jug, Camp Oil lamp, Pine-Sol® Scented Multi-Surface Cleaner in Lavender Clean®, Lemon Fresh, and Mandarin Sunrise® Scents, Dove Refresh + Care Unscented Dry Shampoo, 142g

3 Hydrogen Peroxide 3.0% USP

4 One private-label recall and one national brand recall (multiple products)

5 Quaker Brand Granola Bars and Cereals (multiple products)

6 Chikitoe Plush Dinosaur with Rattle

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ENVIRONMENTAL AND SOCIAL COMPONENTS IN PRODUCTS

SASB CG-MR-410a.1

Our Approach

In the context of changing customer interest and regulatory requirements, Dollarama has been evolving its selection of products with various degrees of environmental and social (“E&S”) components as well as its ability to track them. Dollarama’s approach is guided by the availability of products with E&S components within our pricing structure and product categories, as well as customer response.

At Dollarama, we define products with E&S components as products that have environmental and/or social features. Examples include products that are biodegradable, made of recycled content or made of an alternative material to virgin plastics. It also includes food products that are certified organic and/or minimally processed.

Products with E&S Components

While our food offering is primarily comprised of confectionery, drinks, snacks and shelf-stable pantry items, Dollarama continues to offer food products which are certified to recognized international standards such as organic, vegan, GMO-free, gluten-free and more, as well as minimally processed foods.

In FY24, our organic product assortment included organic chia, quinoa, coconut sugar and rice crackers, as well as personal hygiene products with organic ingredients, among other products. Our minimally processed foods offering also continued to include products such as chestnuts and dried fruit. We introduced additional organic products in FY24 and continue to actively look to introduce more, always guided by customer response.

At Dollarama, customers can find products that are, for example, made of bamboo, sugar cane, corn starch and recycled fibers or plastics, instead of virgin plastics. Our assortment also includes products made of biodegradable or compostable components.

With evolving regulations around plastics, Dollarama continues to explore product and packaging design that uses alternative solutions. In FY24, we completed the phase-out of plastic checkout bags and products targeted by the single-use plastic federal ban, such as plastic cutlery and flexible straws.


GOAL 

Eliminate the use and sale of single-use plastic bags in Dollarama stores across Canada by mid-FY24, six months ahead of the regulatory deadline


 **Achieved¹**

Tracking Products with E&S Components

In FY24, Dollarama pursued its efforts to track products with E&S components, whether private-label or national brands, through a streamlined process informed by ESG standards. This preliminary work enabled us to further strengthen our ability to identify several products that were, for example, compostable, made with recycled materials and biodegradable. We will continue this work in FY25 but our high volume of product refreshes and sales velocity, among other factors, continue to pose tracking challenges.

GOAL 

Improve tracking of E&S components in products

 **In progress**

¹ Achieved by the regulatory deadline

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PACKAGING

SASB CG-MR-410a.3, CG-HP-410a.1

Our Approach

Our cost-effective business model continues to inform our approach to primary packaging. Our goal is to minimize packaging, where applicable and feasible, to generate savings for our business and support our value promise to our customers. By doing so, we can also mitigate the related environmental impact. We work directly with vendors, whether national brand or private label, to achieve this. Packaging is often made of recyclable materials, with several product categories mainly using cardboard. A number of our vendors also have their own programs to ensure that packaging is minimized and recyclable.

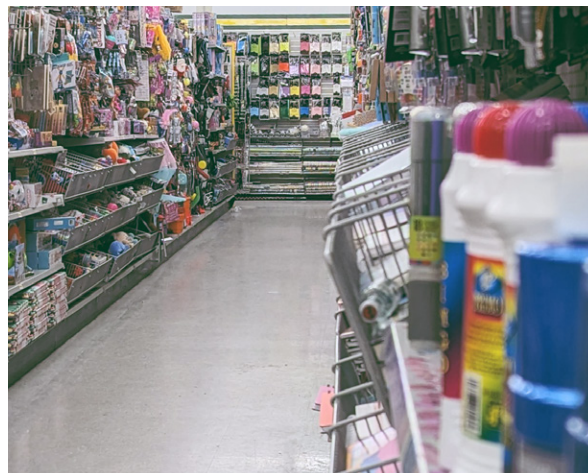
Quantifying Recyclable Packaging

In late FY24, and as an initial step, we launched an initiative with the guidance of a third-party expert to get a better sense of the proportion of recyclable primary packaging across our private-label product offering. As this initiative is still ongoing, we continue to work

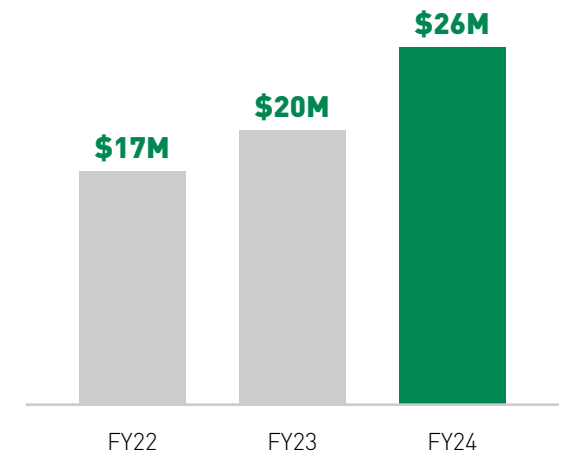
towards estimating the percentage of products with recyclable packaging components. For the purpose of this first exercise, packaging components identified as recyclable are those deemed widely accepted by recycling streams across Canada such as paper, cardboard, and plastics #1 and #2.

Product Stewardship

Dollarama is a registered industry steward in the provinces and municipalities with programs in place to manage the lifecycle of products after their sale. Our participation in these programs grows in tandem with our increased sales and store network growth. Through these programs, we assume a percentage of the net costs of curbside recycling based on the type and quantity of materials we import and/or sell. Ecofees, or environmental handling fees, are also collected, where applicable, and remitted to the organizations that operate regulated recycling programs across Canada.



Environmental Handling and Stewardship Fees Paid and/or Collected and Remitted by Dollarama





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Dollarama is committed to supporting global efforts to address the impacts of climate change. We recognize that physical and transition climate risks may have operational, financial or reputational impacts on our business. Our climate-related priority topics aim to mitigate these risks and to capture opportunities to increase operational efficiency and minimize our carbon footprint where possible, in the context of evolving regulations and stakeholder expectations.

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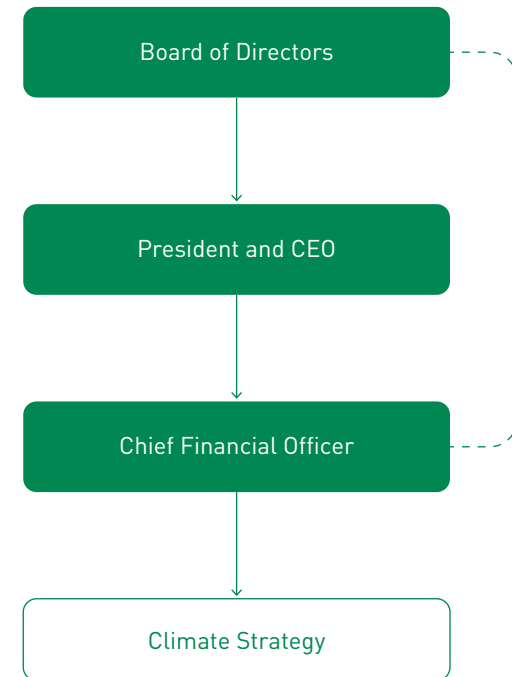
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At the management level, the Chief Financial Officer is responsible for leading the Corporation’s climate strategy, supported by other members of the Management Committee with relevant operational responsibilities and the ESG Steering Committee. The Chief Financial Officer also shares with the Senior Vice President, Legal Affairs and Corporate Secretary the responsibility of leading the enterprise risk management process at the management level.

Effective for FY25, the Board integrated ESG-related performance metrics in the annual short-term incentive compensation of named executive officers, including one related to climate. In addition, Dollarama’s sustainability-linked credit facilities are tied to specific sustainability-performance targets, including one related to our climate strategy.

The Board has ultimate oversight of climate-related risks and opportunities.

More information available under [ESG Governance](#).



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CLIMATE STRATEGY

Strategy and Roadmap Overview

Our climate strategy and roadmap are built on three principles: first, supporting global efforts to address the impacts of climate change wherever possible; second, rooting the strategy in our unique business model; and third, drawing from our goal-driven business philosophy.

At this stage, considering the inherent challenges associated with adopting an absolute reduction target in the context of the past and anticipated growth in our business and operations, as well as the challenges associated with being tenants of our stores, our GHG emissions reduction strategy is focused on decreasing emissions intensity. In this context, our approach relies on economically and operationally viable levers, and on developing and executing on clear and actionable programs that deliver meaningful, achievable results.

All of our stores except one are leased, which has created in the past and continues to create certain inherent challenges in the context of our climate strategy. As tenants of our stores, our GHG emissions and our ability to control and collect data often depends on, and/or requires collaboration from, our landlords. For example, for almost half of our leases, landlords maintain control over the base building systems and infrastructure (such as the roof and heating and ventilation systems, among others) which makes it more difficult to implement intensity reduction initiatives. In other instances, we see challenges in obtaining reliable and timely information from landlords such as detailed heating or electricity consumption data.

Climate Strategy Roadmap Progress							
	FY19	FY20	FY21	FY22	FY23	FY24	FY25 ¹
First Scope 1-2 GHG emissions disclosure	■	■	■	■	■	■	■
TCFD alignment commitment	■	■	■	■	■	■	■
First-generation climate strategy, including Scope 1-2 GHG emissions intensity target	■	■	■	■	■	■	■
First disclosure aligned with most TCFD recommendations	■	■	■	■	■	■	■
ESG function's perspective formally included in enterprise risk management process	■	■	■	■	■	■	■
Strengthening of GHG-related data accuracy and completeness	■	■	■	■	■	■	■
Registration as a TCFD supporter	■	■	■	■	■	■	■
Integration of additional climate risks in enterprise risk management process	■	■	■	■	■	■	■
Mapping of legal and regulatory requirements related to climate	■	■	■	■	■	■	■
Quantification of GHG emissions for relevant Scope 3 categories	■	■	■	■	■	■	■
Re-evaluation of climate strategy	■	■	■	■	■	■	■

¹ In progress

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Strategy and Roadmap Next Steps

We are committed to advancing our climate strategy and roadmap initially set out in FY22. Leveraging the progress made in FY23 and FY24, we intend to re-evaluate in FY25 our climate strategy and roadmap, including with respect to the levers on which it relies upon and the associated target, in the context of:

- The expected near completion of our energy efficiency projects in FY25
- Our positive engagement with top landlords aimed at increasing visibility on energy consumption data and discussing the potential implementation of additional initiatives
- Our improved access to enhanced heating consumption data which reduces our reliance on alternative datasets (proxy data) and third-party data to calculate Scope 1 GHG emissions
- Our ongoing quantification of relevant Scope 3 GHG emissions categories
- The feedback received from our ongoing engagement with stakeholders

We will undertake this work in FY25 with a view to disclosing our progress in our FY25 ESG Report.

Data Collection, Management and Methodologies

In FY24, with the support of a third-party expert and guided by the GHG Protocol standards, we continued to strengthen our ESG data collection capabilities as well as our methodology and controls for assessing energy consumption, more specifically heating data, which represents a significant portion of Scope 1 and 2 GHG emissions.

Whereas in prior years our heating consumption data was derived from alternative datasets (proxies) relying on assumptions based on financial data collected from invoices received during the relevant fiscal year and average provincial commodity prices, we were able for the majority of our stores to gain access to actual

heating consumption data in FY24, thus decreasing reliance on proxy data. As a result, the vast majority of our Scope 1 emissions are now calculated based on actual heating consumption data, significantly improving the accuracy of our GHG calculations. For the remaining Scope 1 emissions, we have implemented a more precise estimation methodology, now relying on the heating consumption data we were able to access, rather than the proxies previously used. In such cases, we continue to work with landlords to gain better visibility on heating energy types and consumption data.

With respect to electricity consumption data used to calculate Scope 2 emissions, Dollarama already benefitted from actual electricity consumption data for the majority of its emissions. In FY24, we implemented new statistical tools that helped us to better identify and correct certain outliers in electricity and heating consumption data, which further improved the accuracy of Scope 1 and 2 methodology.

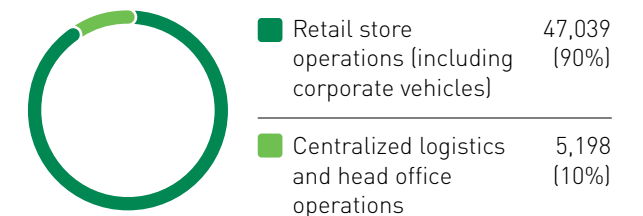
Under this new methodology, our Scope 1 and 2 emissions were re-calculated for our baseline year as well as FY23. Because heating represents close to half of our Scope 1 and 2 emissions, the revisions to heating consumption data under our new methodology impacted significantly the overall absolute GHG emissions and GHG emissions intensity metrics disclosed in prior years. Beyond the data improvements relating to heating and electricity consumption data, our overall Scope 1 and 2 methodology remained comparable to the prior year in all material aspects. As more accurate data enables the design of efficient initiatives, we view these improvements as a step forward that will allow us to further advance our climate strategy.

Our updated GHG emissions data for FY20 and FY23, as calculated pursuant to our new and improved FY24 methodology, as well as a comparison against data previously disclosed under our prior methodology, is as set forth on the following page.

Absolute Scope 1 and 2 Emissions

As a result of this new methodology, which benefits from access to actual heating consumption data for the majority of our stores and enhanced electricity consumption data, Scope 1 and 2 absolute GHG emissions for our baseline year have significantly decreased when compared to the data obtained using our prior methodology which relied on alternative datasets (proxies) for Scope 1 emissions. In addition, this new methodology shows a slight increase in our Scope 1 and 2 GHG emissions between FY20 and FY23, mainly driven by the growth in our business, operations and logistics and store network. Between FY23 and FY24, absolute Scope 1 and 2 emissions also increased, but at a slower rate than our growth, as further explained below. That said, given our growth strategy and expected significant increase in footprint, we continue to believe at this time that the most appropriate GHG emissions reduction objectives for us should be related to our emissions intensity, which has reduced compared to our FY20 baseline.

FY24 Emissions by Type in Tonnes of CO₂e



GOAL

Reduce Scope 1-2 GHG emissions intensity to 4.2 kg CO₂e/ft² by FY31

Under review

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Scope 1 and 2 Emissions Intensity

As demonstrated by the table to the right, our new Scope 1 and 2 calculation methodology still shows a decreasing trend in respect of GHG emissions intensity reduction since FY20, with our GHG emissions intensity decreasing from 3.3 in FY20 to 2.8 in FY24. This 15% reduction compared to our baseline year is driven by the benefits of the deployment over such period of various energy efficiency initiatives as described under Energy Management as well as general grid decarbonization and other external factors. The intensity reduction is lower than calculated under our prior methodology, mainly as a result of our new heating dataset which significantly reduced GHG emissions for FY20. We also note that the GHG emissions intensity for FY24 was generally stable compared to FY23, as our square footage occupancy increased faster than our Scope 1 and 2 emissions year-over-year, including as a result of additional warehousing capacity becoming fully operational in FY24. In early FY25, our FY24 Scope 1 and 2 emissions intensity received limited assurance from a third party.

As a result of this exercise, we are now in the process of re-assessing our Scope 1 and 2 GHG emissions intensity target and strategy in the context of our broader climate and business strategy. In the meantime, we will continue to seek to improve data-related processes and, where applicable, bridge remaining gaps between estimations and actual data, recognizing the challenges associated with being tenants of our stores and that we do not always have full control or visibility on our landlords' actions. We remain focused on transparently reporting to our shareholders and other stakeholders on our climate strategy and ensuring that our climate strategy is fully integrated with our business and growth strategy.

Historical Scope 1-2 GHG Emissions and Intensity (as per FY24 Scope 1-2 methodology)			
	FY20 ^{1, 2}	FY23 ²	FY24
Total Scope 1-2 GHG emissions (tonnes of CO₂e)	49,347	49,464	52,237
Total Scope 1-2 GHG emissions intensity (kg CO₂e/ft²)	3.3	2.8	2.8 ³

Sources of GHG Emissions (as per FY24 Scope 1-2 methodology)				
		FY20 ⁴	FY23 ⁵	FY24 ⁶
Scope 1 (Tonnes of CO₂e)	Building heating (such as natural gas)^{6, 7}	20,413 (41%)	23,569 (48%)	23,768 (46%)
	Company-owned vehicles	1,081 (2%)	1,195 (2%)	1,187 (2%)
Scope 2 (Tonnes of CO₂e)	Purchased electricity^{6, 8}	27,853 (57%)	24,700 (50%)	27,282 (52%)
Square Footage	Retail space, warehouses and distribution centre occupancy (ft²)	15,051,017	17,436,341	18,714,579

1 Baseline year

2 FY20 and FY23 Scope 1-2 emissions intensities received a limited level of assurance by an external third party in FY23. In FY24, total Scope 1-2 GHG emissions for FY20 and FY23 were revised by the Corporation as a result of the improvements made to our GHG methodology, mainly in respect of heating consumption data. The revised FY20 and FY23 emissions intensities were not reassured. FY20 and FY23 absolute Scope 1-2 emissions were previously disclosed as 116,441 tonnes of CO₂e and 85,891 tonnes of CO₂e, respectively, while FY20 and FY23 Scope 1-2 emission intensities were previously disclosed as 7.7 and 4.9, respectively.

3 Subject to a limited level of assurance by an external third party.

4 FY20 emissions have been revised in light of improvements made in FY24 to Scope 1-2 methodology, mainly in respect of heating consumption data. FY20 Scope 1 from heating was previously reported at 84,806 tonnes of CO₂e. Scope 1 emissions from company-owned vehicles were unchanged. FY20 Scope 2 emissions were previously reported at 30,554 tonnes of CO₂e.

5 FY23 emissions have been revised in light of improvements made in FY24 to Scope 1-2 methodology, mainly in respect of heating consumption data. FY23 Scope 1 from heating was previously reported at 58,229 tonnes of CO₂e. Scope 1 emissions from company-owned vehicles were unchanged. FY23 Scope 2 emissions were previously reported at 26,467 tonnes of CO₂e.

6 Natural gas and electricity consumption data continues to be calculated through invoices received during the relevant fiscal year. In FY24, Scope 1 emissions estimations represented 7% of total Scope 1-2 emissions, while Scope 2 emissions estimations represented 21%. Estimations are based on average provincial intensities, calculated from consumption data, and may be subject to a certain level of uncertainty.

7 Based on exercised judgement at the date of this Report and a number of factors, including operational reality, emissions from cooling equipment are not included in our Scope 1 GHG emissions methodology.

8 Scope 2 is measured through the location-based method by using emission factors from the NIR 1990-2021 which was the most recent source available at the time of preparation of this Report.

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Scope 3 GHG Emissions

In accordance with the GHG Protocol’s Corporate Value Chain (Scope 3) Accounting and Reporting Standard, Dollarama undertook in FY24 the screening of the 15 different categories of Scope 3 emissions. Screening criteria were informed by relative size of the category in estimated tonnes of GHG emissions, peer practices, stakeholder expectations, level of influence over potential emissions reductions, and risks and opportunities.

Out of the 15 Scope 3 categories screened, five were identified as most relevant to our business:

Upstream	Category 1 Purchased goods and services	Emissions related to the production of products (both goods and services) purchased by Dollarama.
	Category 4 Upstream transportation and distribution	Emissions related to the transportation and distribution of goods to our distribution centre, warehouses and stores in vehicles not owned or operated by Dollarama.
	Category 5 Waste generated in operations	Emissions related to third-party disposal and treatment of waste from our distribution centre, warehouses and stores, primarily comprised of secondary and tertiary packaging.
Downstream	Category 11 Use of sold products	Direct use-phase emissions of our products sold to end users that consume energy during use such as batteries, lightbulbs and candles.
	Category 12 End-of-life treatment of sold products	Emissions related to the end-of-life treatment of products sold by Dollarama.

Preliminary results of our screening suggest that emissions from our value chain have a larger footprint than our Scope 1 and 2 GHG emissions, which is generally consistent with the industry in which we operate and our operational structure, including our international supply chain. This supports the relevance of existing ESG initiatives undertaken or underway in FY24, and outlined in the relevant sections of this Report, which are linked to the Scope 3 categories identified. This includes, but is not limited to, the electric truck shunting pilot between our warehouses and distribution centre and efforts to minimize packaging and optimize transportation loads.

In FY25, Dollarama is collecting available data and conducting a quantification of relevant Scope 3 GHG emissions categories in accordance with the GHG Protocol Technical Guidance for Calculating Scope 3 Emissions. This will be followed by an analysis to confirm the hotspots identified during the initial screening and to identify additional supply chain insights and trends.

In parallel, Dollarama will also assess the availability, completeness and accuracy of relevant data. Data is challenging for all Scope 3 reporters and additional processes may be required to achieve a satisfactory level of data accuracy in the future. This may impact the methodologies we use or consider using, our ability to quantify and timing of disclosure.



“As we advance our climate strategy in support of global efforts to address the impacts of climate change, we are building upon an increasingly stronger foundation and framework. Our journey is informed by our unique

operational context, our goal-driven philosophy focused on meaningful and achievable goals, and our ongoing dialogue with our key stakeholders.”

— Patrick Bui, Chief Financial Officer

GOAL

Disclose relevant Scope 3 GHG emissions in FY25 ESG Report

In progress

RESOURCE CORNER

[GHG Protocol Corporate Value Chain \(Scope 3\) Accounting and Reporting Standard](#)

[GHG Protocol Technical Guidance for Calculating Scope 3 Emissions](#)

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The following section outlines the relevant and available information regarding the Corporation’s disclosure related to its climate-related risks and opportunities, as recommended by the Task Force on Climate-related Financial Disclosures’ framework as of the date of this ESG Report.

In FY24, the Corporation took several steps to increase its alignment with those recommendations and enhanced related disclosure. This includes the integration of additional climate risks as part of its annual enterprise risk management process, more detailed disclosure regarding the types of risks and opportunities considered, as well as mitigating factors identified.

GOAL ↗

Align climate-related disclosures with TCFD recommendations

In progress

GOVERNANCE

Board oversight of climate-related risks and opportunities

The Board, through the work of the Audit Committee, has the ultimate oversight of risk identification and management, including for risks that may be climate related. The Audit Committee meets quarterly, and each meeting leverages the following separate processes:

- Review and discussion of financial results, such as, but not limited to, revenues, profits and costs, on a quarterly basis
- Review of the enterprise risk management (“ERM”) process results, annually
 - Business risks and opportunities that impact the overall business strategy and performance, including those identified through the ERM, are reviewed through out the year, as appropriate
- Review of internal ESG reporting and of Dollarama’s ESG performance, including through the monitoring of the Corporation’s ongoing initiatives and performance against our goals, quarterly

While these processes go beyond climate, climate-related risks and opportunities are part of these discussions to the extent they are appropriate, with the exception of the ERM process, which systematically considers climate risks, and internal ESG reporting, which systematically includes an update related to climate initiatives, goals and targets.

Management’s role in assessing and managing climate-related risks and opportunities

Management is responsible for identifying, assessing and managing relevant risks and opportunities, including risks that may be climate-related, as part of its strategy development and execution, risk management and reporting responsibilities.

The Chief Financial Officer, a member of the Management Committee and who presents to the Audit Committee, leads the Corporation’s ESG strategy and engages with stakeholders on the same topic, with the support of the Management Committee. As such, the Chief Financial Officer is responsible for championing climate risks and opportunities at the management level.

Through monthly Management Committee meetings and the annual ERM process, management is informed of, and responsible for, the monitoring of appropriate risks and opportunities, including those that are climate related.



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The ESG Steering Committee, which was established in FY24, is led by the Chief Financial Officer and composed of key Dollarama leaders, including several Management Committee members. The ESG Steering Committee meets quarterly and supports the Management Committee by creating a forum to discuss ESG matters specifically, including climate-related ones, as well as to track progress and advance key ESG initiatives.

A description of the associated governance structure can be found under [Governance of Priority Topics](#) and [ESG Governance](#).

STRATEGY

Climate-related risks and opportunities identified over the short, medium, and long term

While both risks and opportunities are reviewed and monitored on a continuous basis, the annual ERM process aims to more specifically capture the magnitude of potential risks, including any that may be climate-related. Furthermore, the magnitude of potential opportunities is continuously assessed as part of our normal course of operations.

Physical Risks Considered:

In FY24, chronic physical risks, e.g. sustained changes in temperatures and weather patterns, as well as acute physical risks, e.g. extreme weather events, in Canada and in our supply chain were specifically considered as part of the ERM process. Potential magnitude was assessed by considering their potential impacts, such as disruption of transportation routes, disruption to store or logistics operations, merchandise loss, increased costs or raw material shortages.

These risks are currently considered low to moderate, due to various mitigating factors identified, including the diversification of our store locations and transportation routes, and the flexibility of our supply chain, all of which allow us to adjust operations. These risks are also mitigated through ongoing context-specific initiatives, such as our insurance, incident response, real estate and/or procurement plans.

Transition Risks Considered:

In FY24, several climate transition risks, such as reputational, market-related, regulatory and legal, were specifically considered as part of the ERM process. Considered risks included shifts in customer interests, the continued adoption of ESG policies by investors and evolving ESG expectations of stakeholders and capital markets, brand image, as well as an evolving regulatory and policy environment.

These risks are currently considered low to moderate. Potential magnitude was also assessed by considering their potential impacts on our business, including as it relates to our ability to maintain our product assortment, our ability to access to capital and requirements for additional compliance processes.

Examples of mitigating factors for Dollarama include: our ability to adapt swiftly our direct operations, our supply chain flexibility, and our quick product turnover. For example, in the past, Dollarama has been able to adjust to address new regulatory requirements and changes in consumer demand in short order.



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These risks are further mitigated by several ongoing initiatives. In FY24, Dollarama engaged a third-party advisor to assist in mapping new climate-related regulatory and legal requirements that may impact our products or processes. Furthermore, in FY24, the Board attended continuing education and training sessions on key ESG topics, including on climate. Finally, our climate strategy and roadmap, our continuous stakeholder engagements, as well as some of the product-related initiatives outlined in this Report also contribute to mitigating climate transition risks.

Climate Opportunities Identified:

In FY24, we continued to pursue climate-related opportunities through our focus on operational efficiency, including the achievement of increased resource and energy efficiency. For example, our GHG emissions intensity reduction strategy has focused on initiatives that are beneficial both from a cost and ESG perspective, such as reducing HVAC- and electricity-related consumption.

In FY24, we increased our efforts to identify products with environmental and social (“E&S”) components. Depending on the findings of this process, we may be able to identify additional opportunities to increase this product offering.

Impact of climate-related risks and opportunities on our business, strategy and financial planning

Climate risks and opportunities are embedded in business, strategy and financial planning processes to the extent appropriate. Examples include planning ahead to ensure that our product assortment reflects customer interests and meets regulations, including those that relate to climate. Physical risks, such as likelihood of floods, are taken into account when selecting store locations. Physical climate risks are also taken into account as we develop and update business continuity and contingency plans for our critical infrastructure and processes.

Physical risks are also included in financial planning, including in our insurance program, such as risks of floods and typhoons, for our stores, logistics operations and our supply chain. Furthermore, several of our climate-related initiatives are embedded in our ongoing transformational capital investment projects.

Lastly, our climate-related regulations and legal mapping supports the integration of climate risks and opportunities in our business planning across different levels such as for product assortment and store operations. For example, it enhances our ability to keep up to date with all new, emerging and existing environmental laws and regulations across all three levels of government in Canada.

Resilience of our strategy, taking into consideration different climate-related scenarios

While a formal scenario analysis has not yet been performed, in FY24, we took a step forward with the addition of new climate risks under our ERM process.

As part of this updated process, management was asked to discuss climate-related risks that they have identified, in addition to climate-related risks selected based on industry trends and specifically flagged for discussion. To support the discussion, the additional risks were illustrated with high-level facts and examples to help management conceptualize how these could have a potential impact on the business.

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At this time, physical and transition risks are generally considered low to moderate. As such, we consider the Corporation to be generally resilient to climate-related risks due to mitigating factors such as the specificities of our business model, the environment in which we currently operate, our business continuity and contingency plans, and ongoing initiatives.

RISK MANAGEMENT**Processes for identifying and assessing climate-related risks**

Relevant risks and opportunities, including climate-related, are proactively monitored to promote efficient cost controls and operations on an ongoing basis. They are identified through the Management Committee's work and formally updated on an annual basis through the ERM process. This mapping is accomplished through formal interviews with key individuals in different functions across the Corporation. In FY24, the majority of ESG Steering Committee members participated in this process as they are also Management Committee members.

As part of our processes, management is asked to discuss the likelihood and severity of each risk considered. Climate risks are approached like any other risk: by discussing potential impact on business strategy and performance.

Our processes are designed to capture all significant risks for the full scope of our value chain: from our store, warehouse and distribution operations, to local transportation, international shipping and product assortment and sourcing. Our approach also continues to evolve along with evolving climate risks and opportunities.

In FY24, our enhanced approach to climate risks in our ERM process enabled us to gain a fuller understanding of risks to the Corporation. None of the additional risks specifically flagged for discussion in the ERM process were deemed significant.

Processes for managing climate-related risks

Climate risks are approached like all other risks for the business. Dollarama relies on efficient collaboration between teams to adequately cover all facets. Our risk framework relies on risk owners and risk champions who ensure that each identified area is appropriately managed, that mitigation plans are advanced and that risk-related metrics are improving.

Integration of processes into overall risk management

Dollarama's approach to climate risk and opportunities is embedded in its ERM process.

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METRICS AND TARGETS

**Metrics used to assess
climate-related risks
and opportunities**

Climate risk can be measured through two types of metrics:

- Financial metrics, such as store growth, gross margin and operating costs, help capture the impact of risks, including climate-related risks, on Dollarama's business performance and financial position and dictate our approach to risk mitigation.

Factors impacting financial performance are constantly monitored to ensure we understand what drives our key metrics and the overall performance of our business. At this time, climate-related risks are not deemed to be significant financial performance factors in the context of our overall business.

- ESG metrics, with a current focus on GHG emissions intensity, and secondary metrics such as energy usage and source, as well as operational waste, further inform our overall strategies.

**Disclosure of GHG emissions
and related risks**

Dollarama discloses Scope 1 and Scope 2 GHG emissions, both in absolute terms and in terms of intensity (based on square feet occupancy). A limited assurance engagement was performed for the FY24 Scope 1 and Scope 2 GHG emissions intensity presented in this Report.

In early FY25, Dollarama completed the screening of its relevant Scope 3 categories. It also began the quantification of partial Scope 3 GHG emissions with a view to disclosing such information in its FY25 ESG Report. This work is ongoing and proceeding as planned.

All GHG emissions are calculated in alignment with the GHG Protocol.

**Targets used to manage
climate-related risks
and opportunities and
performance against targets**

In FY24, as explained herein, we made significant progress to further improve data, resulting in increased data accuracy for GHG emissions. As a result of the new dataset, we are reassessing our Scope 1 and 2 emissions intensity target established in FY22 (of reaching an intensity 4.2 [kg of CO₂e/ft²] by FY31, compared to a FY20 baseline) as part of our climate strategy review. This work is in progress and we expect that it will be completed in FY25, as discussed under [Data Collection, Management and Methodologies](#).

In addition, as a result of the change in our methodology to assess GHG emissions and the fact that we are in the process of re-assessing our GHG emissions intensity reduction target, we are considering revisiting the application of our climate-related sustainability-performance targets ("SPTs") in our sustainability-linked credit facilities. Given such facilities have been undrawn, we do not expect that the revision of our methodology to assess GHG emissions and any potential impact thereof on our STPs will have a material impact on our sustainability-linked credit facilities and the costs related thereto.

RESOURCE CORNER

[Audit Committee Charter](#)

[FY24 Management's Discussion and Analysis](#)


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ENERGY MANAGEMENT

Energy Procurement

Our electricity consumption is fully sourced from purchased grid electricity and represented approximately 50% of our Scope 1 and 2 GHG emissions in FY24. In several provinces, such as Quebec and Prince Edward Island, we benefit from low-emitting electricity. We also expect to be able to consume an increasing amount of low-emitting electricity as other provinces move towards grid decarbonization.

Approximately 85% of our stores currently rely on natural gas for heating. However, new construction is increasingly employing more energy efficient methods and technologies, including increased reliance on renewable energy sources for heating. These advancements will be key as our store footprint continues to grow.


For our corporate fleet, we are working towards making it fully hybrid. However, supply chain related delays and shortages impacted our progress. At the end of FY24, 21% of company-owned vehicles were hybrid, up from 16% in FY23.

Energy Efficiency


In FY24, we accelerated the deployment of LED lighting and energy management systems ("EMS"), with an additional 21% and 43% of stores now equipped with these technologies, respectively, compared to FY23. These result in cost savings, a decrease in heating and electricity consumption and contribute to lower maintenance costs.

With 80% of our stores now equipped with LED lighting we are nearing our goal of reaching virtually 100%. Our warehouses and distribution centre are also equipped with LED lighting. EMS has been installed in two of our warehouses and as of FY24, in 53% of our stores, nearing our goal of 55%, which represents the proportion of stores in which we have HVAC control. In FY24, we increased our engagement with top landlords. This may lead to higher levels of EMS installed in landlord-controlled stores beyond our current goal as we pursue this engagement in FY25.

As our LED and EMS programs near completion and as we reassess our climate strategy in FY25, we intend to consider additional energy efficiency initiatives to deploy in the future.

GOAL 

Retrofit all store light fixtures and exterior neon signage to LED lighting

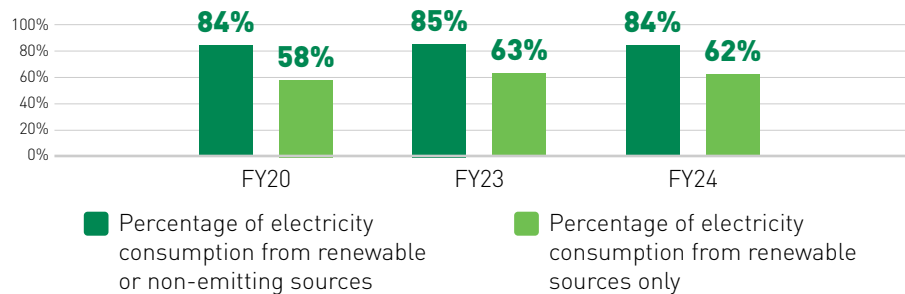
 **In progress**

GOAL 

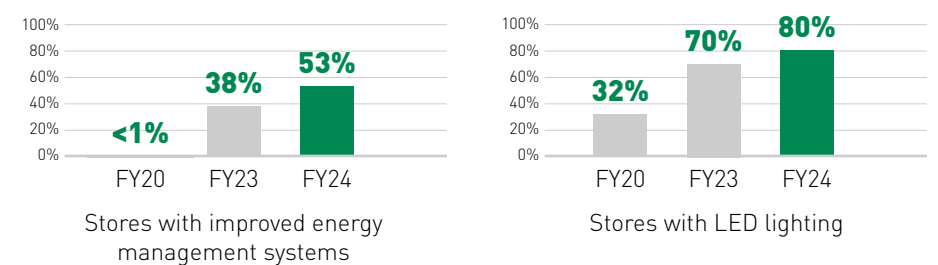
Upgrade in-store energy management systems across store network in Dollarama-controlled and landlord-controlled stores, whenever possible

 **In progress**

Electricity Consumption by Energy Source¹



Energy Savings Initiatives



¹ Dollarama estimates sources of grid electricity consumption through a location-based method. We use Natural Resources Canada's definition of "renewable", which includes hydro/wave/tidal, wind, geothermal, biomass and solar, and of "non-emitting", which refers to nuclear.

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OPERATIONAL WASTE

Reduce and Reuse

SASB CG-MR-410a.3

As outlined in past ESG reports, reducing and reusing materials in our operations is embedded in our processes. For example, we reuse cardboard boxes to transport products to our stores and to fulfill online orders to limit the amount of new cardboard packaging we use. We also constantly seek to optimize packaging at the source, especially for tertiary packaging. In FY24, we reduced cardboard usage by transitioning from 5-ply to 3-ply cartons, wherever product specifications allow. In addition, we periodically verify that cartons are efficiently packed to reduce wasted space. These inspections enable us to increase packing efficiency or reduce cardboard box size.

We also seek to reduce product waste through tight inventory management. As part of their daily tasks, employees are expected to repair damaged product packaging to avoid discarding products unnecessarily. They are trained on the processes to follow depending on the type and level of damage and on when and how to discard a product if repairing it is not an option. Field and store management are incentivized to minimize inventory loss as it is a component of their compensation.

In our warehouses and distribution centre, we also have a donation initiative, which has been in place for several years, where we partner with approximately 30 local organizations such as hospitals, schools, food banks and shelters to donate goods that are unfit for sale but still safe for consumption or use. This may include excess products or samples, such as food, clothing, toys and school supplies. While the volume of products we discard

in any given year is very low, we constantly seek to enhance our practices in this regard. In FY25, Dollarama intends to pilot a project to assess the feasibility and logistics required to donate small quantities of excess seasonal items, primarily comprised of confectionary products, to non-profit organizations located near our stores.

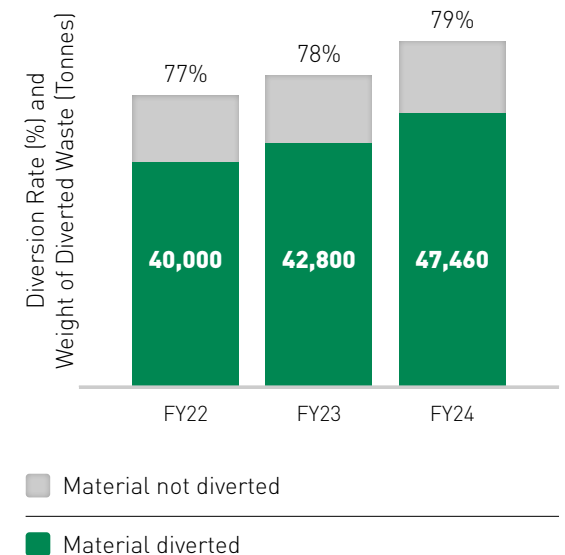
Recycle

A large proportion of our operational waste is comprised of secondary and tertiary cardboard packaging, which enables us to achieve good waste diversion rates.

In stores, we install balers in our back stores, where possible, to optimize our diversion rates by facilitating the recycling of cardboard and plastic wrap by our store teams. In FY24, the number of balers deployed increased by 15% over FY23. In FY24, we launched a bin sensor technology pilot program that can scan the contents of a bin to identify the level of materials contained within it. The goal is to ensure bins are full before they are picked up by our third-party providers, thereby reducing unnecessary trips and related costs, as well as providing increased accuracy of waste diversion data. Only deployed in a handful of stores for the pilot evaluation period, we may be able to leverage this technology to support our waste diversion efforts in the future.

As we gain further insights through our Scope 3 GHG emissions quantification efforts, we may also evolve our approach to operational waste management to increase diversion rates.

Waste Diversion Rate¹



¹ Waste diversion rate calculated from estimated data provided by our waste management partners. The waste diversion rate is for 65% of stores in FY24, which represents the stores where we are responsible for waste and recycling and can track performance.

GOAL ↗

Increase waste diversion rates

In progress

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We continue to build on our longstanding transportation strategy of focusing on projects that maximize and optimize the movement of our goods.

Domestically, we favour rail transportation, where appropriate, for the transportation of our goods, which tends to produce fewer GHG emissions than road transportation through superior fuel efficiency. For several years, we have leveraged a logistics process that ensures that most of our containers do not travel empty on return trips within Canada. This minimizes our reliance on trucks to replenish our stores, with road transportation reserved for shorter distances which use fuel-saving optimized routes from rail hubs to area stores.

In FY24, we launched a trailer hauling pilot project with a third-party transportation provider, using two electric trucks to shunt trailers between our warehouses and distribution centre. While it is too early to draw conclusions, we look forward to analyzing the impact of this initiative.

We continuously work to optimize tertiary packaging, as outlined under [Operational Waste](#). This contributes to efforts to improving load capacity and decreases the number of containers shipped internationally and transported within Canada for the same volume of goods.

The preliminary results of our Scope 3 category screening completed in FY24 indicated that upstream transportation is a one of our relevant categories. In FY25, we intend to engage with select third-party transportation providers to gain visibility into their environmental efforts, which may inform our ongoing Scope 3 quantification efforts.



One of two electric trucks used to shunt trailers between our warehouses and distribution centre
Credit: Courtesy of Simard Transport and Buzz Marketing



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OUR PEOPLE

At Dollarama, our people are essential to delivering on our value promise to our customers. Our future growth and performance depend on our ability to attract, retain and motivate quality employees, many of whom are in positions with historically high turnover rates. As we compete for talent, it is paramount that we offer a safe, positive and dynamic work environment with opportunities for development. We also value our workforce diversity, which is recognized as having a positive impact on multiple facets of corporate life, from business performance to innovation and talent attraction.

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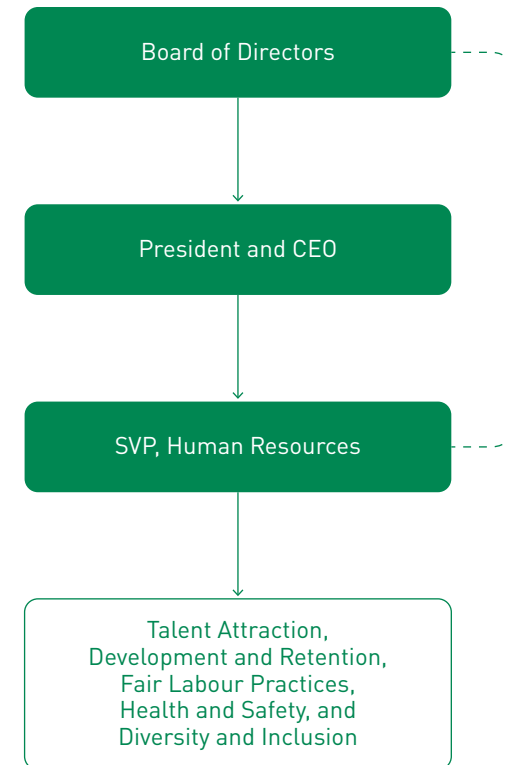
GOVERNANCE OF PRIORITY TOPICS

At the management level, the Senior Vice President (SVP), Human Resources, is ultimately responsible for advancing people-related priority topics, in collaboration with other members of the Management Committee. From a policy standpoint, the Dollarama Code of Conduct and Employee Handbook outline our standards and expectations regarding the priority topics outlined in this section.

In addition, Dollarama’s sustainability-linked credit facilities are tied to pre-set sustainability performance targets, including one related to gender diversity.

The Board has ultimate oversight of human capital management policies and practices.

More information available under [ESG Governance](#).



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TALENT ATTRACTION, DEVELOPMENT AND RETENTION

Creating Opportunity and Economic Value

We are proud to contribute to Canada’s economic development through offering secure employment, store openings and renovations, the procurement and distribution of goods, and the payment of taxes and stewardship fees.

Retail has long been an industry of choice for Canadians and newcomers looking to enter or re-enter the job market, and those looking for flexible work schedules. Through our continued growth, we support tens of thousands of secure direct and indirect jobs annually.

Our employees are individuals from all walks of life, age, backgrounds and experience, who may be looking for part-time work or to pursue a career in retail. About 40% of our in-store employees, which represented 97% of our workforce in FY24, are between 16 and 25 years old, and the majority are part-time Associates. Many are students looking for flexible, part-time work. In FY24, 65% of our store employee base was part-time and 35% full-time.

We also create employment opportunities in Quebec through a limited number of reputable employment agencies responsible for staffing our logistics operations in light of the unique and fluctuating requirements of these unautomated activities. These opportunities represent 4% to 5% of our total workforce requirements, depending on volume and seasonality.

Workforce Overview				
		FY22	FY23	FY24
Number of Employees	Stores	23,350	24,945	27,385
	Logistics, field management and corporate	840	895	965
	Total	24,190	25,840	28,350
Average Number of Employees per Store		~17	~17	~18
Opportunities Created through Employment Agencies	Logistics	Up to 1,500	Up to 1,800	Up to 1,400

Direct Economic Value Created by Dollarama				
Stakeholder	Value Generated	FY22	FY23	FY24
Customers	Sales	\$4.3B	\$5.1B	\$5.9B
Vendors and service providers	Products and services purchased	\$2.4B	\$2.9B	\$3.4B
Employees	Salaries, wages and benefits paid	\$592M	\$640M	\$740M
Communities	Taxes paid	\$881M	\$1.1B	\$1.3B
	Stewardship fees	\$17M	\$20M	\$26M

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Talent Attraction and Retention

Attracting talent is a year-round effort to staff our expanding store network. We offer flexible work conditions, competitive wages and benefits, and meaningful career advancement opportunities.



“Our talent initiatives aim to fuel engagement and professional growth. We believe that efficient hiring, onboarding and professional development are the cornerstones of career longevity.”

— Mark Di Pesa, Senior Vice President, Human Resources

In FY24, we implemented new technologies to simplify and accelerate hiring processes, and improve the candidate experience. For our store operations, we now have a centralized and automated talent management platform which enables our teams to save time and more easily connect, fairly evaluate and hire candidates. With further deployment planned for FY25, we also believe these tools will help support talent retention, notably through optimized candidate selection. In FY24, several other projects were deployed to support talent attraction such as an enhanced online recruitment strategy and an increased presence at job fairs.

Our approach to ensuring that our employees are successful has always been guided by adapting industry best practices. To ensure we are continuing to hit the mark, we started to develop an employee engagement survey in FY24 for deployment in FY25. It will measure sentiment across our organization, while enabling us to collect other pertinent feedback.

Our investments in new tools and technologies also extended to the deployment of a more effective

performance management tool, to develop and retain top talent. This tool has streamlined our performance review process and improved our visibility and reporting. It was rolled out to corporate employees and select field leadership in FY24 and will be rolled out for store management positions in FY25. Linked to this effort is the ongoing revamp of our succession planning process, whereby high potential employees are identified as candidates for various management roles within the organization.

From FY22 to FY24, average tenure at the Associate level has remained stable around two years, whereas at the

Store Manager level, the average tenure has increased from six to seven years through the same period.

Internal Promotion Rates

In FY24, internal promotion rates were analyzed to better understand internal promotion drivers and factors contributing to a decline in internal promotion rates for several store and field positions. We determined that our growth strategy means that we need to look outside of our internal pool of talent to fill some of our open positions. As a result, we must balance internal promotions with external hires. Despite this challenge, team leader internal promotion rates nonetheless increased year-over-year.

Internal Promotion Rate ¹				
		FY22	FY23	FY24
In-store	Assistant Team Leader	64%	62%	51%
	Team Leader	74%	56%	67%
	Assistant Store Manager	60%	51%	48%
	Store Manager	50%	47%	42%
Field Management	District Manager	100%	100%	95%
	Regional District Manager	-	-	50%

1 Decreasing internal promotions rates result from changes in job markets along with store footprint growth.

Internal Promotion Rate for Store and Field Management Positions			
	FY22	FY23	FY24
Number of total internal promotions	~4,000	~4,800	~4,100
Percentage of positions filled through internal promotions	64%	58%	52%

GOAL

Maintain high rates of internal promotions from Assistant Team Leader to Regional District Manager position

■ ■ ■ In progress

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Professional Development

Through our professional development programs, we aim to ensure that our people can quickly gain access to advancement opportunities and increased compensation. In FY24, all new employees and most existing employees received at least one training from a wide range of topics, such as technical skills, health and safety, harassment and discrimination and more.

To achieve this, we offer paid training hours, set realistic eligibility criteria and organic progression paths. We provide opportunities through on-the-job experiences, peer collaboration and through programs and courses. These opportunities are formally identified and managed through our performance management process and structured reviews. We also expect that our revamped performance management process for select in-store and field management positions will help us uncover additional training and development opportunities.

In FY24, we continued to leverage and enhance our talent development programs, which include:

- **GPS:** Our management and leadership skills development program was enhanced with the integration of additional training segments for Certified Training Managers and District Managers.
- **Flash trainings:** New segmented ‘flash’ trainings for specific topics and roles were launched, with a focus on health and safety.
- **Training application:** Our proprietary training application was upgraded with more comprehensive overview dashboards for stores, as well as an improved user interface.
- **CTM Academy:** Launched in FY23, the CTM Academy aims at deepening the training knowledge and coaching proficiency of our new Certified Training Managers. A new phase was deployed to provide advanced in-person training on leadership skills development, coaching aptitude and process mastery.
- **Store Manager training:** Content of training sessions was reimagined to ensure a comprehensive learning experience for new Store Managers. We also added sessions that allow for smaller groups, and where facilitators can be more attentive.
- **Store tours:** We designed the framework for the revamp of our internal store audit tool, including the addition of people-focused topics.

DEVELOPMENT PROGRAMS OVERVIEW



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Competitive Compensation

We constantly monitor the job market to provide competitive wages. In FY24, increases in in-store hourly rates reflect provincial minimum wage increases and our continued investment in our people.

Through our professional development strategy, we make it possible for employees to progress from a responsibilities and compensation standpoint. In FY24, a significant portion of in-store internal promotions were for Assistant Team Leader and Team Leader positions, which typically allow Associates to access higher hourly rates and full-time roles. Furthermore, in FY24, about 88% of our new District Managers were previously Dollarama Store Managers. Starting with Assistant Store Manager positions and up, an incentive compensation program makes them eligible for performance driven bonuses.

We are also constantly looking for ways to improve our employer value proposition and to be competitive in the market. As an example, since the insourcing of inventory counts, we have increased the number of hours available to store employees. Depending on context and special projects, store employees are also eligible for premiums. Dollarama strives to provide competitive wages for employees and agency workers in its logistics operations, work which comprises different and primarily manual labour tasks compared to a store work environment.

Dollarama is committed to equitable pay across all positions and maintains wage rate parity between its employees and agency workers accomplishing the same work in its logistics operations. Dollarama also monitors gender pay equity. In FY24, average hourly wage for all store positions was approximately 1% higher for women compared to men.

Workforce Hourly Rate Overview				
SASB CG-MR-310a.1		FY22	FY23	FY24
Store Employees	Yearly average hourly rate ^{1, 2}	\$15.49	\$16.20	\$16.91
	Percentage of hourly employees above minimum wage (at period end) ³	61%	58%	60%
Logistics Employees (Warehouses and Distribution Centre)	Yearly average hourly rate ^{1, 2}	\$23.45	\$24.58	\$25.41
	Hourly rate range depending on position, tenure and location ¹	Not disclosed in FY22	\$18.00 to \$31.82	\$18.63 to \$32.93
	Percentage of hourly employees above minimum wage (at period end) ³	100%	100%	100%

1 Excluding benefits and premiums, where applicable
 2 FY22 and FY23 metrics were recalculated to provide a yearly average in accordance with SASB's calculation methodology and only include hourly employees.
 3 See SASB metric CG-MR-310a.1 in the [SASB Index](#).

Competitive wages and flexible work schedules are coupled with many other benefits. All employees have access to our Employee Assistance Program, which focuses on mental health and wellbeing and to support them through work-related or personal challenges, at no additional cost and without limit. Once an employee has worked a minimum number of hours, they are eligible for a competitive group insurance plan with different

coverage options, ranging from basic health to dental benefits. In FY25, we will enhance the health benefits available to covered employees to include telemedicine. They will now have direct access to a virtual care platform providing care services, among other features. We also offer a company-matched defined contribution pension plan to eligible employees.

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HEALTH AND SAFETY

Our Approach

Our commitment to maintaining a safe work environment is operationalized through our focus on prevention and continuous improvement. Health and safety is championed by dedicated teams, and employees at every level of our store and logistics operations are accountable.

Our policies and practices are outlined in our handbooks and related training programs, which meet best practices and applicable occupational health and safety legislation. Employee feedback, incident investigations and risk and hazard assessments allow us to deploy efficient action plans and corrective actions whenever necessary.

All store and logistics workers must complete mandatory health and safety trainings, which are repeated at different frequencies depending on context and needs, to ensure consistent compliance with established operating procedures. Our stores, distribution centre and warehouses regularly undergo internal inspections to ensure procedures are being followed.

Store Operations

We consider our largest employee group, store employees, to be at low risk of serious health and safety incidents. Typical incidents are slips and falls and minor injuries related to handling merchandise or using ladders. We work with third-party experts to analyze incidents and improve measures based on our continuous improvement process and quarterly and ad-hoc reviews.


In FY24, we launched a new internal safety audit framework to address hazards identified throughout the year and new related flash trainings through our training application.

Following engagement with landlords and based on our risk assessment, we have also started to install safety bollards in front of stores facing parking pads or high-traffic areas, to better the safety of our employees and customers in the event of vehicle accidents. Also in FY24, we deployed a new Customer Service Accessibility Policy and Plan, in compliance with the Accessibility Standard for Customer Service and Integrated Accessibility Standards regulations, reiterating our commitment to making our premises safe and accessible to everyone.




Logistics Operations


In our distribution centre and warehouses, daily operations primarily involve the reception, handling and assembling of boxed merchandise by the pallet for shipment to our stores. Training, standards and procedures, such as the mandatory use of proper personal protective equipment, are applicable to all workers onsite whether they are Dollarama employees or agency workers. They are generally considered at low to medium risk of serious health and safety incidents, with most lost-time injuries related to handling or moving merchandise. We also have onsite committees responsible for the development, implementation and monitoring of health and safety performance and programs. Human resources, logistics management, floor employees, and employment agency workers are represented in these meetings, as appropriate.


In FY24, select initiatives included the implementation of training programs on the use of frequently used equipment like box-cutters and forklifts. We updated our evacuation plans, onsite first aid kits and digitalized our incident investigation processes, as part of our continuous improvement efforts.

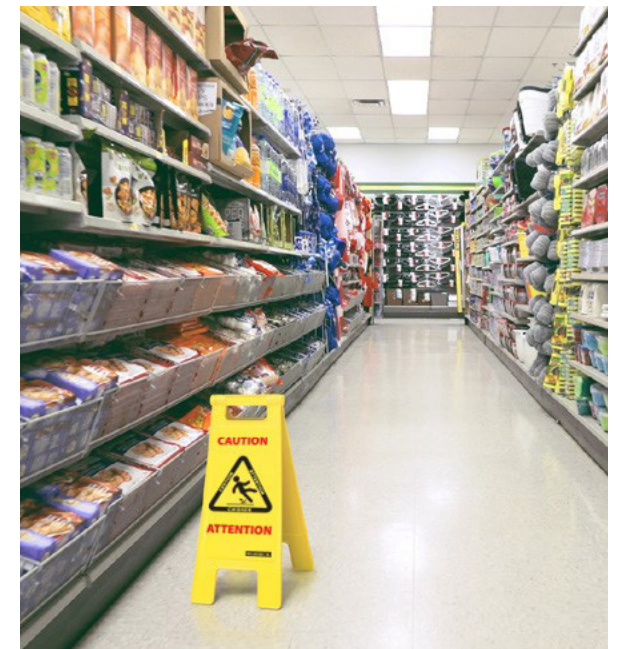
GOAL 

Reduce frequency and severity of lost-time injuries

   In progress

RESOURCE CORNER 

Accessibility Policy and Plan 



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DIVERSITY AND INCLUSION

Our Approach

At Dollarama, we aim to promote an environment that supports the fair and equal treatment of all individuals. Our practices are designed to recruit, develop, reward and retain employees on the basis of merit, ability and performance. We also focus on delivering a positive and welcoming experience to all customers with the diversity of the communities we serve in mind.

Recruitment

While our processes aim to ensure that the best candidates are selected based on business needs, we believe that our new automated store recruitment platform will help further mitigate the risk of bias in hiring, for example, by automating the review of candidate profiles based on pre-set hiring criteria. For the recruitment of leadership roles, we aim for balanced gender representation within candidate pools, a requirement also included in mandates given to our external recruitment partners.

Store employees are required to acknowledge the Code and complete training modules on topics covered in the Code. Store Managers and Assistant Store Managers must attend a mandatory training which includes a dedicated diversity and inclusion module. Our Customer Service Accessibility Policy and Integrated Accessibility Standards also outline our commitment to a discrimination-free and accessible environment.

Development

One of our development priorities is supporting the advancement of our diverse store employee base. In FY24, about 72% of internal promotions for Assistant Team Leader to District Manager positions were awarded to employees identifying as women. The evolution of our succession planning process will also allow us to further support the advancement of high potential and Management employees. In FY24, 60% of employees promoted from non-Management to Management positions identified as women.

Listening to Employees

We endeavor to uphold an open-door policy at all levels of management to ensure employees feel comfortable sharing or requesting feedback, voicing concerns and reporting incidents. Employees also have access to human resources representatives and our confidential Ethics and Compliance Hotline. We are evaluating the inclusion of diversity components to our employee engagement survey planned for FY25 to support our efforts to ensure that all employees feel valued and respected.

RESOURCE CORNER

[Code of Conduct and Ethics](#)



[Accessibility Policy and Plan](#)



In FY24, about 60% of all hires and 50% of Management¹ hires identified as women

Training

During hiring and onboarding, corporate employees are required to acknowledge our Code of Conduct, which outlines our diversity and inclusion standards including, but not limited to, our commitment to equal opportunity and a zero-tolerance policy for discrimination, harassment, and all other non-inclusive behaviours.



¹ Dollarama defines Management as its named executive officers, senior vice presidents, vice presidents, senior directors, directors, regional district managers and district managers. Our definition differs from SASB metrics.

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Gender Diversity

Women represent the vast majority of our employees, including at the Store Manager level and in many departments. We promote gender parity through inclusive hiring and career advancements initiatives, including for leadership positions.

Dollarama has consistently exceeded its target to maintain at least 40% female representation in Management¹ positions for the last four years. In light of this performance, we re-evaluated our target in FY24. Given that reaching parity represents a small number of positions, Dollarama believes that it would be more meaningful to focus on promoting gender representation across the organization through current and future initiatives rather than revise the target. We are maintaining the target as we consider it to remain a valuable component of our strategy and to ensure accountability across our human resources processes.



WOMEN LEAD HERE

In early FY25, Dollarama was named to The Globe and Mail's annual Women Lead Here benchmark that identifies the leaders in executive gender diversity in corporate Canada. The benchmark evaluated 500 of the largest publicly traded companies in Canada to narrow the list down to 97 companies considered to have a significant number of women in leadership positions.

GOAL

Maintain at least 40% of women in Management

■ ■ ■ **Achieved**

Female Representation Among Employees

SASB CG-MR-330a.1	FY22	FY23	FY24 ²
Executive Officers	33%	33%	33%
Management¹	43% ³	44% ³	46% ³
Store Managers	73%	75%	74%
All Non-Management Employees	74%	72%	67%
All Employees	74%	72%	67%

GOAL

Re-evaluate gender diversity in Management target in light of progress so far

■ ■ ■ **Achieved**

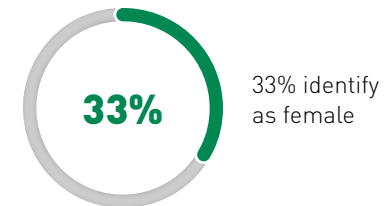
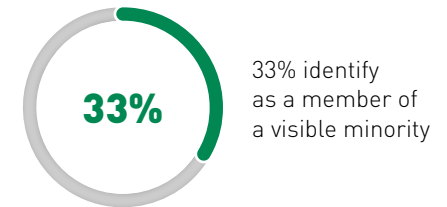
Visible Minorities

We are proud of our diverse workforce, which we believe is representative of the diversity of the customers and communities we serve. As the next step in our diversity and inclusion journey, throughout the course of FY25, Dollarama intends to start collecting, on a voluntary basis, information on ethnic and racial representation across our employee base. The data collected will help us assess the need for or identify potential initiatives to support diverse representation.

The representation of visible minorities, people with disabilities and Aboriginal peoples⁴ among employees is currently only tracked at the Executive Officer level.

FY24 Executive Officer Diversity

SASB CG-MR-330a.1



1 Dollarama defines Management as its named executive officers, senior vice presidents, vice presidents, senior directors, directors, regional district managers and district managers. Our definition differs from SASB metrics.

2 In FY24, about 3% of our workforce identified as non-binary or did not disclose their gender, partially explaining the decrease of the proportion of women in Store Managers, All Non-Management Employees and All Employees categories.

3 Subject to a limited level of assurance by an external third party

4 As defined in the Employment Equity Act (Canada)



05

OUR SUPPLY CHAIN

OUR SUPPLY CHAIN

At Dollarama, we recognize our responsibility to respect and protect human rights and the environment, particularly in the context of an international supply chain. Given the breadth of our vendor base and complexity of our dynamic supply chain, our approach is focused on compliance and risk management. Dollarama is committed to improving its human rights risk mitigation strategies to ensure their continued relevance, in line with evolving regulations and stakeholder expectations.

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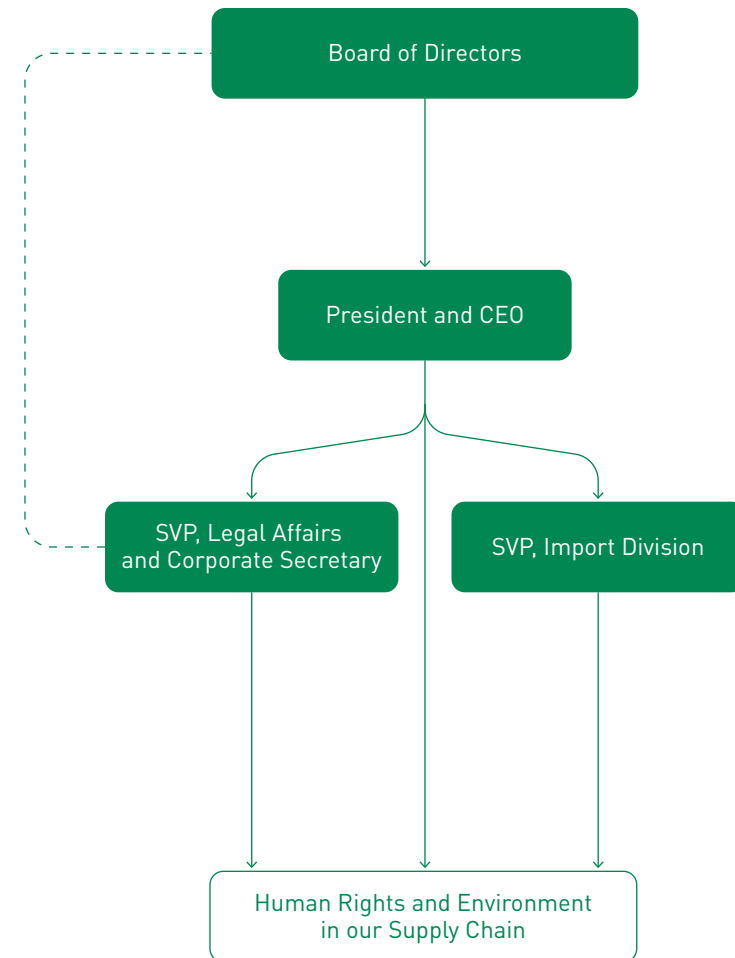


GOVERNANCE OF PRIORITY TOPICS

At the management level, the President and CEO and the Senior Vice President (SVP), Import Division, are responsible for supply chain management and accountability, which includes oversight of the respect and protection of human rights and the environment in our supply chain. They are supported by the Compliance and Legal departments, two functions reporting directly to the President and the CEO. Responsibility for our whistleblower communications channels falls under the SVP, Legal Affairs and Corporate Secretary.

The Board has ultimate oversight of human rights and supply chain risks.

More information available under [ESG Governance](#).



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SUPPLY CHAIN MANAGEMENT

Policies

Dollarama’s Vendor Code of Conduct, which is applicable to domestic and international vendors, and its Code of Conduct and Ethics, applicable to Dollarama employees, executive officers and directors, form the backbone of our human rights risk oversight and supply chain management policies. They outline our expectations and standards concerning product safety and quality, human rights, working conditions, environmental protection, and business ethics, among other topics.

More information available in the “Our Policies and Due Diligence Processes” section of the FY24 MSR and under [Ethics and Fair Business Practices](#).

Internal and External Engagement

Dollarama values long-term, mutually beneficial business relationships with its vendors. Multiple touchpoints throughout the business relationship enable us to screen, engage and inform vendors of our human rights expectations and advance our mitigation strategies. These touchpoints include, but are not limited to, prior to placing a purchase order, during onsite factory visits and social audits, and while deploying corrective actions.

Internally, several processes and mechanisms in place ensure that all teams uphold our standards. All employees are provided with a copy of the Code of Conduct upon hiring, which they must review, understand, and agree to comply with. An annual refresher is also embedded in

the yearly performance review process. Our procurement team must familiarize themselves with the Vendor Code of Conduct and are expected to ensure vendors understand our expectations. In FY25, the Procurement team will undergo mandatory human rights training.

Dollarama also regularly engages with external stakeholders, including shareholders, industry associations, peers and third-party experts to assess the effectiveness of our strategies against best practices and to keep abreast of regulatory developments.

More information available in the “Policies”, “Training” and “Assessing the Effectiveness of our Actions” sections of the FY24 MSR.

PUBLICATION OF FIRST REPORT UNDER THE MODERN SLAVERY ACT

In early FY25, Dollarama published its first Report under the Modern Slavery Act (“FY24 MSR”), which provides an overview of its framework for managing the risks of forced labour and child labour in its direct operations and supply chain. The report also outlines the steps taken during FY24 to prevent and mitigate these risks, the Corporation’s available whistleblower communications channels, as well as its incident management and remediation process. As such, the Supply Chain section of this FY24 ESG Report should be read in conjunction with the FY24 MSR, available through the Resource Corner.

In early FY25, the Board’s Nominating and Governance Committee charter was updated to further embed human rights and supply chain risks. This included the oversight of the management of human rights risks and related disclosures, including the FY24 MSR, by the Nominating and Governance Committee.

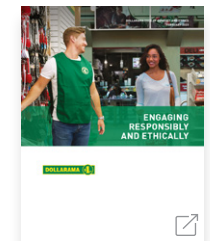
RESOURCE CORNER



Report under the Modern Slavery Act (“FY24 MSR”)



Dollarama Vendor Code of Conduct



Dollarama Code of Conduct and Ethics

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HUMAN RIGHTS AND ENVIRONMENT

Human Rights Risk Assessment

Dollarama’s supply chain social risk assessment, which covers human rights, health and safety, and labour rights risks, was updated in FY24 to further address forced labour and child labour risks. Our assessment, which is updated on an ongoing basis, is based on information derived from various reputable databases, third-party risk assessments and advice, and industry standards. It also integrates internal data such as type of product and country of manufacturing. The risk assessment covers our direct and indirect operations with a focus on our international supply chain, including T1 and T2 vendors from whom we purchase goods domestically and overseas.

More information on the risk assessment process and FY24 assessment results available in the “Risks of Forced Labour or Child Labour in our Operations and Supply Chain” section of the FY24 MSR.

RESOURCE CORNER

FY24 MSR 

Global Slavery Index 

Environment

Dollarama seeks to work with vendors who strive to use resources, materials and energy as efficiently and responsibly as possible, and to minimize the adverse impact of their activities on the environment. At minimum, vendors are required to operate in compliance with all applicable environmental laws and regulations, including those related to environmental protection, in the jurisdiction in which they are located. This includes emissions released into the atmosphere or bodies of water, the disposal of solid waste, and the handling and disposal of hazardous materials.



“Dollarama’s framework for managing risks in our supply chain is comprised of structured accountability mechanisms, reinforced by ownership and governance oversight at the board and management level. We are committed to improving our strategies to ensure their continued relevance, as well as increasing transparency into our practices.”

— Neil Rossy, President and CEO

ETHICS OR COMPLIANCE CONCERNS IN OUR SUPPLY CHAIN CAN BE COMMUNICATED BY:

- Calling Dollarama’s third-party operated confidential ethics and compliance hotline at **1-833-945-1568**
- Filling a confidential complaint online via dollarama.ethicspoint.com or by scanning this **QR Code**



- Sending an email to ethics@dollarama.com



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SUPPLY CHAIN ACCOUNTABILITY

Social Audit Program Roll-out Progress

SASB CG-AA-430b.1, CG-TS-430a.1

Launched in FY19, our Social Audit Program initially focused on the onboarding of T1 vendors, based on country of manufacturing and procurement volume. In-scope vendors are required to provide or undergo a third-party social audit, and to re-certify every three years. In-scope vendors are audited against our human rights standards such as the respect of freedom of association, anti-discrimination, working hours and more. As of FY24, 320 T1 vendors had been audited at least once through the program, allowing us to complete its initial roll-out and to sustain it in the context of our continued business growth and dynamic supply chain.

More information available in the "Our Social Audit Program" section of the FY24 MSR.

Dollarama defines Tier 1 ("T1") vendors as vendors who manufacture goods and from whom Dollarama purchases goods directly.

Dollarama defines Tier 2 ("T2") vendors as the commercial agents that serve as intermediaries between Dollarama and other vendors, including manufacturers.



Some of the recognized international social audit accreditations or certifications we accept:



GOAL

Roll-out of Social Audit Program to all in-scope T1 vendors by mid-FY24

■■■ Achieved

GOAL

Subject all in-scope vendors to accredited social audits at least every three years

■■■ In progress

GOAL

Enhance disclosure on in-scope vendor social audit performance

■■■ In progress

Social Audit Program Criteria

To maximize the impact of our Social Audit Program, we take a risk-based approach to supply chain management. Dollarama selects vendors for enrollment based on country of manufacture and annual procurement volume. Our program is currently focused on overseas T1 vendors located in jurisdictions with a higher estimated prevalence of human rights violations. Additionally, as one of our key sourcing countries, all T1 vendors located in China are automatically included if they meet the minimum annual procurement threshold.

Our social audit requirements also apply beyond T1 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 FY24, following positive engagement with our largest commercial agents, we significantly increased our visibility on the top factories in China supplying goods to Dollarama, based on procurement volume. Effective in FY25, selected factories,

which are considered T2 vendors by SASB standards, will also be subject to our Social Audit Program. The addition of these vendors will help inform next steps in our risk-based approach to sustain our program and ensure its continued relevance.

Social Audit Performance

Between FY22 and FY24, Dollarama terminated two business relationships due to the failure of such vendors to adequately meet the requirements of our Social Audit Program. To date, Dollarama has not terminated a business relationship due to instances of forced labour or child labour, or any of the other zero tolerance issues outlined in the Vendor Code of Conduct.

Suppliers Terminated

	FY22	FY23	FY24
SASB CG-TS-430a.2			
SASB CG-AA-430b.2			
Vendors terminated	0	2	0

RESOURCE CORNER

FY24 MSR [↗](#)

Dollarama Vendor Code of Conduct [↗](#)



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OUR GOVERNANCE

OUR GOVERNANCE

Dollarama's governance-related priority topics reflect the Board of Directors and management's firm belief in the fundamental importance of upholding high standards of ethical behaviour, information security and corporate governance. These priorities aim to ensure that we meet both the legal requirements and stakeholder expectations of a publicly traded corporation. They ultimately reflect our firm conviction that these aspects are foundational to building a resilient and responsible corporation with strong oversight.

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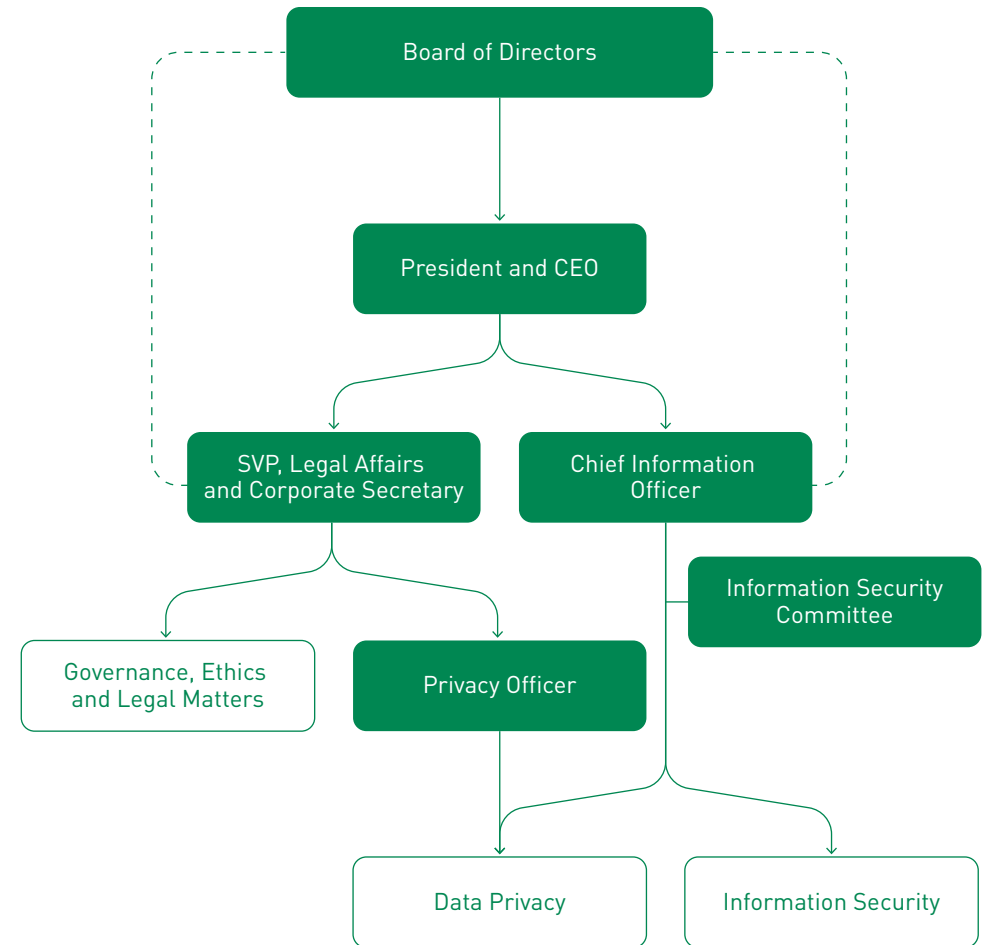
GOVERNANCE OF PRIORITY TOPICS

At the management level, the Senior Vice President (SVP), Legal Affairs and Corporate Secretary, is responsible for governance, ethics and legal matters. This position also co-owns the enterprise risk management process with the Chief Financial Officer.

Information security and data privacy is the responsibility of the Chief Information Officer (CIO), who regularly reports to the Audit Committee, supported by the Privacy Officer for regulatory compliance, alignment with best practices and monitoring trends. The Corporation's Information Security Committee, chaired by the CIO and comprised of leaders from IT, finance and legal, including the Privacy Officer, is responsible for cybersecurity risk management and employee training. It sponsors the information security roadmap and meets at least quarterly to set priorities, review progress and discuss emerging developments.

The Board has ultimate oversight of corporate governance policies, ethics, enterprise risk management, information security and ESG governance.

More information available under [ESG Governance](#).



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Corporate Governance

Dollarama’s Board of Directors and management are committed to adhering to strict rules of governance and continually seek to enhance their practices and policies. In early FY25, as part of its annual review of its policies and charters, the Board of Directors updated its committee charters to reflect expanding ESG oversight responsibilities.

More information available under [ESG Governance](#).

Board Composition

The Board is responsible for overseeing board renewal, assessing director independence and evaluating its own performance and effectiveness. The Board strives to ensure that it is comprised of directors well-versed in the areas critical to Dollarama’s future success. The Board seeks to strike a healthy balance between longer serving directors, who have a deep understanding of the business and ensure stability, and newer directors who bring fresh perspectives, competencies and expertise.



Director Independence



8 of 10

directors are independent



9 of 10

directors are non-executive

Independent

Board chair

All Chairs

and Board committee members are independent

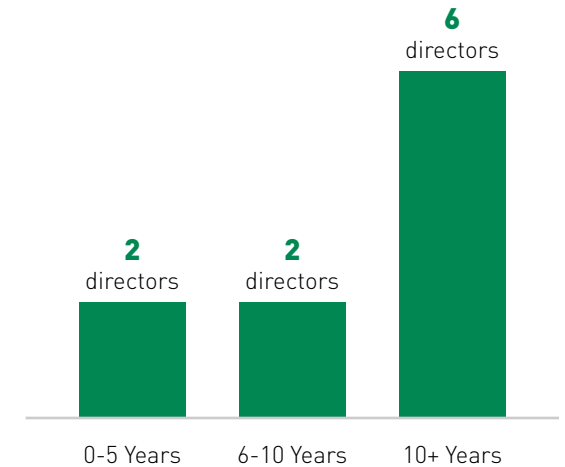
7

new independent directors appointed since 2009 IPO

97%

average meeting attendance for Board and committee meetings

Director Tenure



11.9 Years

average tenure of non-executive directors

12.7 Years

average tenure of directors

Director Age

60

director average age

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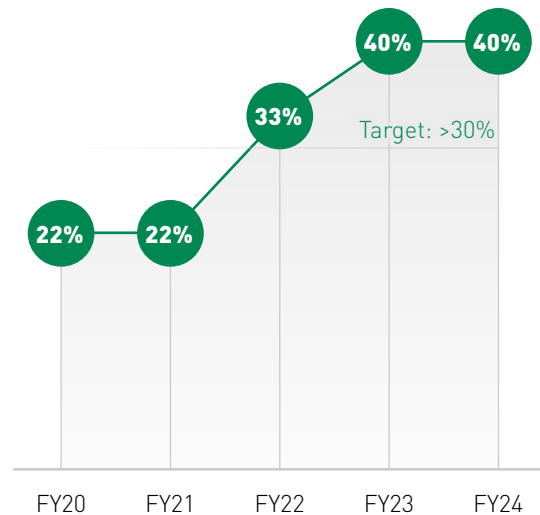
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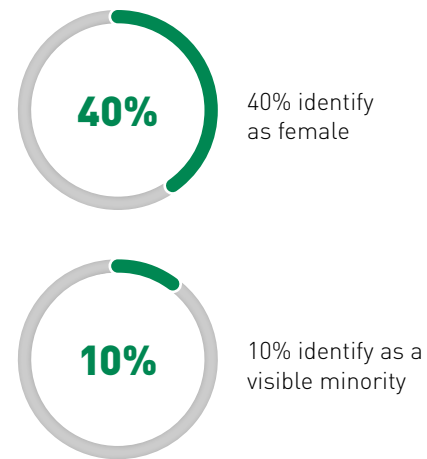
Board Diversity

As outlined in its Diversity Policy, the Board aims to have each gender comprise at least 30% of its membership. In FY24, Dollarama appointed a new independent member of the Board who identifies as female. While the Board has not set targets regarding the representation of any other designated groups, its policy also requires that consideration be given to diversity beyond gender through regular board renewal processes.

Board Gender Diversity Percentage Identifying as Women



FY24 Board Diversity



GOAL

Maintain Board female gender representation above 30% threshold

■ ■ ■ Achieved

Board ESG Skills

The Board strives to ensure that it is comprised of directors who are well-versed in the areas critical to Dollarama’s future success, including ESG-related skills, as captured in the director skills matrix in the Corporation’s FY24 Management Proxy Circular. In FY24 the Board deepened its understanding of key ESG topics through continuous education and training sessions, namely on ISSB disclosure standards, climate, human rights, diversity, equity and inclusion and cybersecurity. The Board will continue to ensure it stays abreast of ESG best practices and evolving regulations.

ESG in Executive Compensation

The Board’s Human Resources and Compensation Committee approved the introduction of ESG-related performance metrics in the annual short-term incentive compensation for the Corporation’s named executive officers, which will apply for FY25. ESG performance metrics related to people and climate were identified as appropriate metrics as they align with the Corporation’s business and ESG strategy, and are relevant, meaningful and measurable.

GOAL

Integrate ESG metric(s) in named executive officer compensation no later than FY25

■ ■ ■ Achieved

RESOURCE CORNER

- Board Diversity Policy [↗](#)
- Board Committee Charters [↗](#)
- FY24 Management Proxy Circular [↗](#)
- Glossary of ESG Terms [↗](#)

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Dollarama Code of Conduct and Ethics

Dollarama is committed to conducting its business in accordance with strict ethical and legal standards. Our standards and expectations are outlined in our Code of Conduct and Ethics (the "Code"), which applies to all Dollarama employees, executive officers and directors. The Code provides comprehensive and practical guidelines for engaging responsibly and ethically in personal conduct and business practices.

The Code also provides for dedicated whistleblower communication channels, including a 24/7 independent third party-managed hotline through which work-related concerns and suspected violations can be reported on a confidential and anonymous basis. In FY24, Dollarama deployed communications initiatives to increase awareness of the hotline as a resource for all workers across its operations from its stores to its head office, distribution centre and warehouses.

All employees receive a copy of the Code upon hiring and are asked to acknowledge it to signify their understanding of the Code. An annual refresher is embedded in the yearly performance review process. In FY24, Dollarama implemented additional training on the Code as part of the onboarding of newly hired corporate employees.

Political Activities, Government Relations, Anti-corruption and Fair Business Practices

The Code also acts as the backbone to Dollarama's zero-tolerance approach to anti-corruption and commitment to fair business practices. Our approach to these topics remains unchanged with those outlined in our FY23 ESG Report.

Dollarama does not make political contributions of any kind and employees are strictly prohibited from making political contributions on behalf of Dollarama or to be perceived as acting on Dollarama's behalf in any political

activity. Should Dollarama engage with government in the normal course of business, it does so in strict accordance with applicable rules and regulations.

Moreover, Dollarama's prohibition against bribery extends to facilitation payments. Our corporate giving guidelines and related processes also aim to ensure that no funds are misappropriated or redirected towards non-approved channels.

Dollarama prides itself on delivering compelling value to its customers and is committed to competing in a fair and ethically justifiable manner within the framework of the antitrust and competition rules in the markets in which we operate.

Vendor Code of Conduct

Vendors and their employees must follow the standards and grievance procedures outlined in Dollarama's Vendor Code of Conduct (the "Vendor Code"), discussed in detail in our first Report under the Modern Slavery Act. The Vendor Code, which clearly outlines our expectations regarding ethical and socially responsible business practices across our supply chain, is applicable to all suppliers, from product manufacturers in China to our Quebec-based employment agencies. Dollarama's whistleblowing hotline is also available to Dollarama's vendors and other stakeholders.

Dollarcity sources most of its products through Dollarama but it nonetheless transacts directly with select vendors, primarily located in Central and South America. Bribery and corruption are areas of particular focus in these markets and an equivalent Vendor Code applicable to Dollarcity's direct vendors was rolled out in April 2024. While already addressed via a compliance program implemented by Dollarcity, their Vendor Code also outlines ethical standards, anti-corruption and anti-bribery policies, providing an additional layer of protection.



"At Dollarama, we are committed to conducting business in accordance with the highest ethical and legal standards, and we have the same expectations of our suppliers. We work to ensure that everyone has the right tools at their disposal when dealing with issues of an ethical nature, including access to confidential whistleblower communication channels."

— **Laurence L'Abbé**, Senior Vice President, Legal Affairs and Corporate Secretary

GOAL

Roll-out equivalent Vendor Code to Dollarcity direct suppliers by FY24

In progress¹

¹ Achieved in early FY25

RESOURCE CORNER

- FY23 ESG Report [↗](#)
- Dollarama Code of Conduct and Ethics [↗](#)
- Dollarama Vendor Code of Conduct [↗](#)
- FY24 MSR [↗](#)

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INFORMATION SECURITY AND PRIVACY

SASB CG-MR-230a.1

Information Security

Dollarama is committed to maintaining the privacy and security of customer and employee personal data as well as its own proprietary information, and seeks to continuously improve and meet evolving information security and privacy standards. The scope of our information oversight encompasses all aspects of our wholly-owned Canadian operations, including our physical retail store network, e-commerce platform and mobile application. Our 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.

Dollarama employs both reactive and proactive measures to identify and safeguard against threats by continuously scanning the IT environment, conducting ongoing vulnerability and preparedness assessments through simulated phishing exercises, as well as holding regular tabletop simulations to test the robustness of our incident response plan, policies and processes. As part of this work, our incident response plan is updated, at minimum, on an annual basis. We are Level 1 PCI DSS compliant and regularly examine the security of our payment card processing system in stores, online and on our mobile application. In addition to our ongoing internal reviews, we conduct annual third-party audits of our IT infrastructure, information security and data privacy, including related processes and internal controls.

In FY24, Dollarama continued to expand and enhance its internal policies related to information security and data privacy with the launch of an Artificial Intelligence (AI) Acceptable Use Policy. This policy, which applies to all employees, consultants, or any other workers at Dollarama, provides guidelines for the ethical use of AI technologies in alignment with Dollarama’s values and legal obligations.



“Digital innovation and technology play a vital role in the development of Dollarama. In the context of growing cybersecurity concerns, it is paramount that we continuously improve and meet evolving information security and data privacy standards to safeguard the integrity of our IT infrastructure and systems.”

— Nicolas Hien, Chief Information Officer

Data Privacy

Dollarama limits data collection, directly or indirectly, to only when necessary for business operations. Dollarama does not rent or sell data, and only shares data when required to complete an online transaction or delivery. We do not store or record any customer data on our in-store systems. For our e-commerce platform and mobile application, we only record certain personal identifiable information required for order processing, while payment card information is handled by third-party processors. All data collection is conducted in a lawful and transparent manner, for customers and employees. They can contact us or log into their account to review, update, make changes or request that we delete their personal data.

Data access management is informed by best practices such as encryption and the principle of least privilege (“PoLP”), meaning that users are only given the minimum levels of access or permissions required to perform their job functions.

More information on the oversight of information security and data privacy can be found under [Governance of Priority Topics](#).



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Supplier Privacy and Information Security Requirements

All our IT suppliers must meet industry standards as well as our own expectations. Relevant suppliers who may handle or gain access to proprietary and/or personal data are also assessed through a privacy impact assessment, including the testing of their security programs, and must comply with additional data privacy contractual terms, as applicable.

Dollarama requires relevant IT suppliers to meet the standards of ISO 27001, ISO 27018, SOC I or SOC II certification.

Employee Training

Information security training is mandatory for all corporate employees and field management, both upon hiring and at least on an annual basis. In FY24, training was expanded to include new modules not only on cybersecurity awareness, but also on data privacy and the Corporation's new AI Acceptable Use Policy.

Material Breaches¹

SASB CG-MR-230a.2	FY22	FY23	FY24
Number of material data breaches, including with personally identifiable information ("PII")	0	0	0
Number of customers affected	0	0	0

¹ Dollarama's definition of material data breaches aligns with the SASB definition of a data breach, which excludes occurrences that (i) do not pose a risk of damage to the entity's business performance or prospects and (ii) do not pose a risk of economic or social disadvantage to individuals.

GOAL

Zero material data breaches in FY24

■ ■ ■ Achieved

RESOURCE CORNER

- Privacy Policy [↗](#)
- Audit Committee Charter [↗](#)
- FY24 Management's Discussion and Analysis [↗](#)
- FY24 Annual Information Form [↗](#)



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CSSB	The Canadian Sustainability Standards Board develops standards that align with the global baseline standards developed by ISSB, but with modifications that serve the Canadian public interest
E&S components in products	Products with environment and/or social features. Examples include using materials that are biodegradable, recycled or organic
EMS	Energy management systems, which help optimize energy consumption
GHG emissions	Greenhouse gas emissions
HVAC	Heating, ventilation and air-conditioning
ISSB	International Sustainability Standards Board is an independent standard-setting body within the IFRS Foundation, responsible for developing the standards for a global baseline of sustainability disclosures (IFRS S1 & S2)
Management	Dollarama defines Management as named executive officers, senior vice presidents, vice presidents, senior directors, directors, regional district managers and district managers
Primary packaging	Packaging designed to come into direct contact with the product
Secondary packaging	Packaging designed to contain one or more primary packages together with any protective materials, if required
SASB	Sustainability Accounting Standards Board, now consolidated under ISSB

Scope 1 emissions	Direct GHG emissions that occur from sources that are owned or controlled by the Corporation such as heating through fossil fuels and emissions from corporate vehicles
Scope 2 emissions	Indirect GHG emissions from the generation of purchased electricity
Scope 1-2 emissions intensity	Scope 1-2 emissions per square foot (based on occupancy) which includes all stores opened during the fiscal period, warehouses and the distribution centre
Scope 3 emissions	Indirect emissions from the Corporation's value chain that are not under our operational control, such as the manufacturing and transportation of our products by third parties
TCFD	Task Force on Climate-Related Financial Disclosures, whose recommendations are now fully incorporated into ISSB's standards
Tertiary packaging	Packaging designed to contain one or more articles or packages, or bulk material, for the purposes of transportation, handling or distribution
T1 vendor	Dollarama defines Tier 1 ("T1") vendors as vendors who manufacture goods and from whom Dollarama purchases goods directly
T2 vendor	Dollarama defines Tier 2 ("T2") vendors as the commercial agents that serve as intermediaries between Dollarama and other vendors, including manufacturers
Waste diversion rate	Proportion of waste diverted from landfills and incineration, by, for example, being reused or recycled

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In our FY24 ESG Report, we provide a comprehensive overview of our ESG strategy and evolving priority issues, as identified through our ongoing assessment process and stakeholder engagement. We also provide an annual update on key data, goals and initiatives. Our reporting has been informed by the SASB Standards relevant to our industry sectors and by the TCFD recommendations.

The data contained in this report and accompanying indexes covers all areas of our Canadian business that are 100% owned and operated and reflect the most current annual data available, unless otherwise indicated. While reference may be made to Dollarcity, its activities and operations, it is not wholly owned by Dollarama and, as such, data related to Dollarcity is not included in this report or accompanying indexes.

In this report:

- FY25 refers to the 12-month fiscal period ending February 2, 2025 and designated in our regulatory filings as Fiscal 2025;
- FY24 refers to the 12-month fiscal period ended January 28, 2024 and designated in our regulatory filings as Fiscal 2024;
- FY23 refers to the 12-month fiscal period ended January 29, 2023 and designated in our regulatory filings as Fiscal 2023;
- FY22 refers to the 12-month fiscal period ended January 30, 2022 and designated in our regulatory filings as Fiscal 2022, and so on.

External Assurance

Select key performance metrics were independently assured by an external third party. A limited assurance engagement was performed for Scope 1 and 2 GHG emissions intensity and gender diversity in Management.

Additional Information

Our FY24 ESG Report and accompanying SASB Index is in complement to our previous ESG disclosure and related documents, all available in the Sustainability section of www.dollarama.com. Our FY24 ESG Report should be read in conjunction with our regulatory filings. These are available at www.sedarplus.com under our company profile and in the Financial Reporting and Governance sections of www.dollarama.com.



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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 (including our ESG targets, plans and strategy). Forward-looking statements are based on information currently available to management and on estimates and assumptions made by management regarding, among other things, general economic and geopolitical conditions and the competitive environment within the retail industry in Canada and in Latin America, in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that are believed to be appropriate and reasonable in the circumstances. However, there can be no assurance that such estimates and assumptions will prove to be correct. Many factors could cause actual results, level of activity, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements.

These factors include future increases in operating costs (including increases in statutory minimum wages), future increases in merchandise costs (including as a result of rising raw material costs and tariff disputes), future increases in shipping, transportation and other logistics costs (including as a result of freight costs, fuel price increases and detention costs), inability to sustain assortment and replenishment of merchandise, increase in the cost or a disruption in the flow of imported goods (including as a result of global supply chain disruptions and the geopolitical instability triggered by the increased tensions between China and the Western countries), failure to maintain brand image and reputation, disruption of distribution infrastructure, inventory shrinkage, inability to enter into or renew, as applicable, store and warehouse leases on favourable and competitive terms, inability to increase warehouse and distribution centre capacity in a timely manner, seasonality, market acceptance of private brands, failure to protect trademarks and other proprietary rights, foreign exchange rate fluctuations, potential losses

associated with using derivative financial instruments, any exercise by Dollarcity's founding stockholders of their put right, level of indebtedness and inability to generate sufficient cash to service debt, changes in creditworthiness and credit rating and the potential increase in the cost of capital, interest rate risk associated with variable rate indebtedness, increases in taxes and changes in applicable tax laws or the interpretation thereof, competition in the retail industry (including from online retailers), disruptive technologies, general economic conditions, departure of senior executives, failure to attract and retain quality employees, disruption in information technology systems, inability to protect systems against cyber attacks, unsuccessful execution of the growth strategy (including failure to identify and develop new growth opportunities), holding company structure, adverse weather, pandemic or epidemic outbreaks, earthquakes and other natural disasters, climate change, geopolitical events and political unrest in foreign countries, unexpected costs associated with current insurance programs, product liability claims and product recalls, class action lawsuits and other litigation, regulatory and environmental compliance and shareholder activism.

With respect to our ESG targets, plans and strategy, such forward-looking statements are based on a number of estimates and assumptions made by management, including, but not limited to, the availability, accessibility and suitability of comprehensive and high-quality data, the active and continued participation of Dollarama's stakeholders, the implementation of various corporate and business initiatives to reduce electricity consumption, the availability and implementation of various measures to reduce energy consumption levels, the availability of electric vehicles, no significant changes in corporate or growth initiatives, no technologies that would materially increase anticipated levels of GHG emissions, no changes in standards or methodologies used (including with respect to the ongoing quantification of relevant Scope 3 GHG emission categories), the availability of renewable or clean energy sources, political stance on emissions and the implementation of anticipated grid

improvements as individual provinces de-carbonize their own electricity supply.

These factors are not intended to represent a complete list of the factors that could affect Dollarama; however, they should be considered carefully. For more exhaustive information on risk factors, please refer to the "Risk and Uncertainties" section of Dollarama's Management's Discussion and Analysis (MD&A) for the year ended January 28, 2024, and to subsequent quarterly MD&As for changes and updates to these risk factors, if any. These documents are available on SEDAR+ at www.sedarplus.com and on Dollarama's website at 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. All forward-looking statements contained in this report are expressly qualified by this cautionary statement.

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, including those discussed under "Forward-Looking Information" herein and under the "Risk and Uncertainties" section of Dollarama's MD&A for the year ended January 28, 2024, and to subsequent quarterly MD&As for changes and updates to these risk factors, if any.

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- Achieved
- In progress
- New

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Product Safety and Quality				
Goal	Metric	FY22	FY23	FY24
Mitigate the risk of SCCPs present in plastic products by requiring that manufacturers adopt alternative materials and techniques		 	 	Retired, always ongoing ¹
Implement additional targeted product-testing programs in line with Health Canada’s ongoing consumer product surveillance		 	 	Retired, always ongoing ¹

Environmental and Social Components in Products				
Goal	Metric	FY22	FY23	FY24
Improve tracking of E&S components in products		-	 	
Eliminate the use of plastics bags in Dollarama stores across Canada by mid-FY24, six months ahead of the regulatory deadline		 	 	 ²

¹ See [Product Safety and Quality](#) for more information

² Achieved by the regulatory deadline

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Climate Strategy				
Goal	Metric	FY20	FY23	FY24
Reduce Scope 1-2 GHG emissions intensity to 4.2 kg of CO ₂ e/ft ² by FY31, against FY20 baseline		-		Under review ¹
	Scope 1-2 emissions intensity (kg of CO ₂ e/ft ²)	3.3 ¹	2.8 ¹	2.8
Align climate-related disclosures with TCFD		-		
Disclose relevant Scope 3 GHG emissions in FY25 ESG Report		-		

Energy Management				
Goal	Metric	FY20	FY23	FY24
Retrofit all store light fixtures and exterior neon signage to LED lighting		-		
	% of store network with LED lighting	32%	70%	80%
Upgrade in-store energy management systems across store network in Dollarama-controlled and landlord-controlled stores, whenever possible		-		
	% of stores with energy management systems	<1%	38%	53%

¹ See [Climate Strategy](#) for more information, numbers revised following improved Scope 1-2 data

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Waste Management				
Goal	Metric	FY22	FY23	FY24
Increase waste diversion rates				
	% material diverted (from stores where Dollarama is responsible for waste collection)	77%	78%	79%
	Tonnes of waste from stores diverted from landfill (from stores where Dollarama is responsible for waste collection)	40,000	42,800	47,460

OUR PEOPLE

Talent Attraction, Development and Retention				
Goal	Metric	FY22	FY23	FY24
Maintain high rates of internal promotions from Assistant Team Leader to Regional District Manager position¹				
	% Assistant Team Leader positions filled via internal promotion	64%	62%	51%
	% Team Leader positions filled via internal promotion	74%	56%	67%
	% Assistant Store Manager positions filled via internal promotion	60%	51%	48%
	% Store Manager positions filled via internal promotion	50%	47%	42%
	% District Manager positions filled via internal promotion	100%	100%	95%
	% Regional District Manager positions filled via internal promotion	-	-	50%

¹ Decreasing internal promotions rates result from changes in job markets along with store footprint growth.

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Health and Safety				
Goal	Metric	FY22	FY23	FY24
Reduce frequency and severity of lost-time injuries				

Diversity and Inclusion				
Goal	Metric	FY22	FY23	FY24
Maintain at least 40% of women in Management ¹				
	% of female representation at Management level	43%	44%	46%
Re-evaluate gender diversity in Management target in light of progress so far		-		

OUR SUPPLY CHAIN

Supply Chain Accountability				
Goal	Metric	FY22	FY23	FY24
Roll-out of Social Audit Program to all in-scope T1 vendors by mid-FY24				
	Cumulative number of in-scope T1 vendors with satisfactory social audits	204	291	320
	% of social audits performed by an independent third party	100%	100%	100%
Subject all in-scope vendors to accredited social audits at least every three years				
Enhance disclosure on in-scope vendor social audit performance				
	Vendors terminated	0	2	0

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

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OUR GOVERNANCE

Governance Framework				
Goal	Metric	FY22	FY23	FY24
Maintain Board female gender representation above 30% threshold				
	% of female representation on Board of Directors	33%	40%	40%
Integrate ESG metric(s) in named executive officer compensation no later than FY25				
Launch revamped and more comprehensive Code of Conduct and Ethics applicable to directors, management and all employees				

Ethics and Fair Business Practices				
Goal	Metric	FY22	FY23	FY24
Roll-out of equivalent Vendor Code to Dollarcity direct suppliers by FY24				

Information Security and Privacy				
Goal	Metric	FY22	FY23	FY24
Zero material data breaches				
	Number of material data breaches	0	0	0
	% involving personally identifiable information (PII)	0%	0%	0%
	Number of customers affected	0	0	0

1 Achieved in early FY25

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SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX

Dollarama’s FY24 SASB Index has been prepared in alignment with the Multiline and Specialty Retailers & Distributors industry standard, which SASB has identified as Dollarama’s primary Sustainable Industry Classification System® (SICS®) industry, as well as select indicators from other SASB standards relevant to our business (Food Retailers & Distributors; Toys & Sporting Goods; Household & Personal Products; Apparel, Accessories & Footwear; and Drug Retailers). In this index, FY24 refers to the 12-month fiscal period ended January 28, 2024, designated in our regulatory filings as Fiscal 2024, FY23 refers to the 12-month fiscal period ended January 29, 2023, designated in our regulatory filings as Fiscal 2023, and so on. All data provided pertains to Dollarama’s business as a whole and not to a particular sector of activity or product category and excludes Dollarcity. In some cases, indicators have been included in this index, but the information is not currently aggregated or quantified or is not disclosed by Dollarama at this time. Indicators suggested by a given standard not deemed applicable were excluded.

Topic	Accounting Metric	Category	Code	Dollarama Data and Information	Related SASB Indicators
Multiline and Speciality Retailers & Distributors					
Energy Management in Retail & Distribution	(1) Total energy consumed (Gj)	Quantitative	CG-MR-130a.1	(1) Energy consumed by Dollarama, directly purchased or not. FY20: 1,306,314 Gj FY23: 1,337,654 Gj FY24: 1,408,279 Gj	FB-FR-130a.1 HC-DR-130a.1
	(2) Percentage grid electricity			(2) FY20: 69% FY23: 66% FY24: 68%	
	(3) Percentage renewable			(3) Dollarama’s percentage renewable metric includes purchased grid electricity and, as such differs from this SASB metric. Dollarama uses Natural Resources Canada’s definition of “renewable”, which includes hydro/wave/tidal, wind, geothermal, biomass and solar, and of “non-emitting”, which refers to nuclear. FY20: 41% FY23: 42% FY24: 42%	
				Fuel is excluded from all metrics as it represents only 2% of Dollarama’s GHG footprint. The above metrics have been revised following heating and electricity consumption data improvements.	



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Topic	Accounting Metric	Category	Code	Dollarama Data and Information	Related SASB Indicators
Data Security	Description of approach to identifying and addressing data security risks	Discussion and Analysis	CG-MR-230a.1	FY24 ESG Report, p. 51, 52 FY24 Annual Information Form, p. 16, 17, 33 FY24 Management’s Discussion and Analysis, p. 32, 33, 34, 36	FB-FR-230a.2
	(1) Number of data breaches (2) Percentage that are personal data breaches (3) Number of customers affected	Quantitative	CG-MR-230a.2	(1) FY22-FY24: 0 material data breaches Dollarama’s definition of material data breaches aligns with the SASB definition of a data breach, which excludes occurrences in which an entity has reasonable and supportable belief that the occurrence (i) does not pose a risk of damage to the entity’s business performance or prospects and (ii) does not pose a risk of economic or social disadvantage to individuals. (2) FY22-FY24: 0% (3) FY22-FY24: 0 FY24 ESG Report, p. 52	FB-FR-230a.1
Labor Practices	(1) Average hourly wage of in-store, warehouse and distribution centre employees by region (2) Percentage of in-store, warehouse and distribution centre employees earning minimum wage by region	Quantitative	CG-MR-310a.1	(1) Store employees: FY22: \$15.49 per hour (excluding premiums and benefits) FY23: \$16.20 per hour (excluding premiums and benefits) FY24: \$16.91 per hour (excluding premiums and benefits) Logistics employees: FY22: \$23.45 per hour (excluding premiums and benefits) FY23: \$24.58 per hour (excluding premiums and benefits) FY24: \$25.41 per hour (excluding premiums and benefits)	FB-FR-310a.1



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Topic	Accounting Metric	Category	Code	Dollarama Data and Information	Related SASB Indicators
				<p>FY22 and FY23 metrics were recalculated to provide a yearly average in accordance with SASB’s calculation methodology and only include hourly employees.</p> <p>(2) Store employees (at period end): FY22: 39% FY23: 42% FY24: 40%</p> <p>Logistics employees (at period end): FY22: 0% FY23: 0% FY24: 0%</p> <p>See FY24 ESG Report, p. 37</p>	
<p>Workforce Diversity & Inclusion</p>	<p>Percentage of gender and diversity group representation for</p> <p>(1) executive management</p> <p>(2) non-executive management</p> <p>(3) all other employees</p>	<p>Quantitative</p>	<p>CG-MR-330a.1</p>	<p>Gender representation</p> <p>(1) Executive Officers FY22: 33% female, 67% male FY23: 33% female, 67% male FY24: 33% female, 67% male Dollarama defines Executive Officers as executives appointed by the Board of Directors. This differs from SASB definitions.</p> <p>(2) Management: FY22: 43% female, 57% male FY23: 44% female, 56% male FY24: 46% female, 54% male Dollarama defines Management as its named executive officers, senior vice presidents, vice presidents, senior directors, directors, regional district managers and district managers. This differs from SASB definitions.</p>	



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Topic	Accounting Metric	Category	Code	Dollarama Data and Information	Related SASB Indicators
				<p>(3) All other employees: FY22: 74% female, 26% male FY23: 72% female, 28% male, FY24: 67% female, 30% male, 3% non-binary or not disclosed Since FY24, Dollarama tracks employees that self-identify as non-binary, or who do not disclose their gender.</p> <p>Diversity group representation In FY24, 33% of Executive Officers identified as visible minorities. Racial/ethnic group representation among all other employees has not been aggregated or quantified by Dollarama at this time.</p> <p>See FY24 ESG Report, p. 39, 40</p>	
Product Sourcing, Packaging & Marketing	Revenue from products third-party certified to environmental and/or social sustainability standards	Quantitative	CG-MR-410a.1	FY24 ESG Report, p. 16	FB-FR-270a.3 FB-FR-430a.1
	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	Discussion and Analysis	CG-MR-410a.2	FY24 ESG Report, p. 14, 15	CG-TS-250a.4 CG-AA-250a.2 CG-AA-250a.1
	Discussion of strategies to reduce the environmental impact of packaging	Discussion and Analysis	CG-MR-410a.3	FY24 ESG Report, p. 17, 30	FB-FR-430a.4 CG-HP-410a.2



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Topic	Accounting Metric	Category	Code	Dollarama Data and Information	Related SASB Indicators
Food Retailers & Distributors					
Food Safety	(1) Number of recalls (2) Number of units recalled (3) Percentage of units recalled that are private-label products	Quantitative	FB-FR-250a.2	(1) FY23: 0 recalls FY24: 1 recall (multiple products) (2) FY23: 0 units FY24: 416,529 units (3) FY23: 0% FY24: 0% FY24 ESG Report, p. 15 Product Recalls section of our corporate website at www.dollarama.com	
Product Labeling & Marketing	Number of incidents of non-compliance with industry or regulatory labeling and/or marketing codes	Quantitative	FB-FR-270a.1	FY23: 0 incidents FY24: 0 incidents	
Labor Practices	Percentage of active workforce covered under collective bargaining agreements	Quantitative	FB-FR-310a.2	FY22-FY24: 0%	



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Topic	Accounting Metric	Category	Code	Dollarama Data and Information	Related SASB Indicators
Toys & Sporting Goods					
Chemical & Safety Hazards of Products	(1) Number of recalls (2) Number of total units recalled (3) Percentage for private-label products	Quantitative	CG-TS-250a.1	(1) FY23: 0 recalls FY24: 1 recall (2) FY23: 0 units FY24: 14,417 units (3) FY23: 0% FY24: 100% FY24 ESG Report, p. 15 Product Recalls section of our corporate website at www.dollarama.com	
Labor conditions in supply chain	Number of facilities audited to a social responsibility code of conduct	Quantitative	CG-TS-430a.1	Since the launch of the Social Audit Program, 320 in-scope T1 vendors have been audited at least once. ESG Report, p. 45	CG-AA-430b.1
	Direct suppliers' social responsibility audit (1) nonconformance rate and (2) associated corrective action rate for (a) priority non-conformance and (b) other non-conformances	Quantitative	CG-TS-430a.2	Between FY22 and FY24, 2 vendors were terminated. To date, Dollarama has not terminated a business relationship due to instances of forced labour or child labour, or any of the other zero tolerance issues outlined in the Vendor Code of Conduct. ESG Report, p. 45	CG-AA-430b.2
Household & Personal Products					
Packaging Lifecycle Management	(1) Total weight of packaging (2) Percentage of packaging made from recycled and/or renewable materials (3) Percentage of packaging that is recyclable, reusable, and/or compostable	Quantitative	CG-HP-410a.1	FY24 ESG Report, p. 17	



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Topic	Accounting Metric	Category	Code	Dollarama Data and Information	Related SASB Indicators
Apparel, Accessories & Footwear					
Labor Conditions in the Supply Chain	<ul style="list-style-type: none"> (1) Percentage of Tier 1 supplier facilities that have been audited to a labor code of conduct (2) Percentage of supplier facilities beyond Tier 1 that have been audited to a labor code of conduct (3) Percentage of total audits conducted by a third-party auditor 	Quantitative	CG-AA-430b.1	<p>Since the launch of the Social Audit Program, 320 in-scope T1 vendors have been audited at least once.</p> <ul style="list-style-type: none"> (1) FY24 ESG Report, p. 45 (2) FY24 ESG Report, p. 45 (3) All social audits are conducted by a third-party auditor. 	CG-TS-430a.1
Drug Retailers					
Drug Supply Chain Integrity	<ul style="list-style-type: none"> (1) Number of drug recalls issued (2) Total units recalled (3) Percentage for private-label products 	Quantitative	HC-DR-250a.2	<ul style="list-style-type: none"> (1) FY23: 1 recall FY24: 0 recalls (2) FY23: 43,642 units FY24: 0 units (3) FY23: 0% FY24: 0% <p>FY24 ESG Report, p. 15</p> <p>Product Recalls section of our corporate website at www.dollarama.com</p>	



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Topic	Activity Metric	Category	Code	Dollarama Data and Information	Related SASB Indicators
Multiline and Speciality Retailers & Distributors					
	Number of: (1) retail locations and (2) distribution centres	Quantitative	CG-MR-000.A	(1) 1,551 retail locations (2) 7 warehouses and 1 distribution centre	
	Total area of: (1) retail space and (2) distribution centres	Quantitative	CG-MR-000.B	(1) 16.2 million square feet (2) 2.7 million square feet (including warehouses and distribution centre)	

DOLLARAMA **\$1**^{plus}