



DOLLAR TREE[®]

2016 Corporate Sustainability Report

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Message from the CEO

Welcome to Dollar Tree's 2016 Corporate Sustainability Report for Fiscal 2016.

This report is designed to provide a consolidated source for information about our operations as they relate to environmental issues, social impact and corporate stewardship. Much of this information has historically been shared through other communication channels. We consolidate it here to provide our stakeholders the convenience of a single reference. As you review this report, I believe you will see that our commitment and approach to sustainability is consistent with our mission and core values that have guided Dollar Tree for the past thirty years.

The Dollar Tree story is one of consistent, sustained growth, change and innovation, with adherence to our core values. Our sales have grown every year since our founding in 1986. In July 2015, we completed the acquisition of Family Dollar Stores. I view this as a transformational opportunity for Dollar Tree. Our complementary business models provide us the unique opportunity in small-box value retail to effectively deliver value and convenience to customers in urban, suburban, and rural communities.

Our Company strives to bring value to customers, shareholders, associates and the communities in which we operate every day. A component of that value is to provide the assurance that our business is being run the right way; that we are following best practices; that we conduct all aspects of the business with honesty, integrity and respect; and that we are good stewards of the environment.

Our efforts and commitment are ongoing. We will continue to review, modify and improve upon these and all of our business practices. Our goal is to ensure that Dollar Tree will always be a company where people can shop, work and invest with confidence and pride.

Bob Sasser
Chief Executive Officer



Environmental Stewardship

Dollar Tree's policies and practices in regard to environmental issues cover the full range of our operations – from the safety of the products we sell and the sustainability of our stores and distribution centers to the shipping and transportation of our products, the use of information technology and our expectations for our business partners.

Product Safety and Sustainability

Dollar Tree has been committed to product safety and sustainability for many years. The company began a comprehensive product testing program early in the last decade, using independent laboratories to test, initially, toys and candles. In 2005, Dollar Tree's testing program expanded and it has increased in scope each year thereafter. Today, we test to standards that are often more stringent than either governmental regulation or industry best practices. We are also working on ways to reduce or eliminate the use of PVC in our products and packaging.

Some highlights of our approach and results are listed below.

- To eliminate potential concerns over lead or cadmium, the Company has advised vendors since 2007 not to use lead in paint, nor to use heavy metals in any products supplied to Dollar Tree.
- We began testing for phthalates in PVC in early 2008, prior to any legislation requiring such testing.
- We component-test rather than composite-test, where applicable, for phthalates and lead because component testing represents a higher standard for safety.
- Vendors are advised not to use PVC in rainwear. We will not carry products that fail to comply.
- Beginning in early 2010, we advised our suppliers to not use BPA in products and drinking containers designed for infants, where relevant as a safety issue. We have now expanded this to include all food and beverage containers as well as certain infant products. We do not carry products that fail to comply.
- We test for levels of cadmium in our products beyond what is required for compliance with ASTM (American Society for Testing and Materials) guidelines.
- Product packaging in our stores is tested for compliance with Toxics in Packaging legislation, although the legislation is in effect in only 19 states.
- X-Ray Florescent (XRF) guns are used for random testing of products in order to achieve a higher level of assurance.



- We implemented an enhanced sourcing organization with coverage in the U.S. and overseas to focus on quality assurance, regulatory compliance and responsible sourcing of merchandise.
- We implemented a factory capability and capacity program to validate that the supplier has the necessary production output to match our order needs to protect against subcontracting of production along with a zero tolerance program towards unauthorized subcontracting of production.
- We implemented a social compliance auditing program to enhance the responsible sourcing of merchandise worldwide.
- We implemented a Palm Oil Policy in 2016 to demonstrate our commitment towards ensuring the palm oil, palm kernel oil, and palm oil derivatives contained in our private label and national brand products is procured in a responsible and sustainable manner.
- Our policy calls for our suppliers to ensure they are procuring palm oil in a manner that supports deforestation-free production of palm oil that includes the protection of all natural forests. This includes, but is not limited, to primary forests, secondary forests, High Conservation Value forests, High Carbon Stock forests from the conversion due to expansion of existing plantations or new plantation development.
- Our goal is to have 100% compliance for all suppliers by 2020 or sooner. Our goal includes the following milestones as part of our process. By December 31, 2016, we will evaluate all our suppliers' palm oil policies to ensure they are aligned with our timeline. By December 31, 2019, all of our suppliers will have methods in place to provide traceability to a mill.
- In April 2016, the Company demonstrated its commitment to animal welfare by making a commitment to cage-free eggs. Dollar Tree is committed to working toward a goal of 100% cage-free eggs by the end of 2025 based on available supply, affordability and customer demand. Although our egg business is relatively small, this demonstrates our commitment to the ethical treatment of animals. We continue to work with our suppliers to improve our food offering while maintaining the affordable prices that our customers expect.

Property Management

At Dollar Tree, we take seriously the need to design, build, and operate our extensive physical infrastructure in an environmentally responsible way. Listed below are some of the many initiatives we have undertaken with new stores, expansions and relocations in order to promote sustainability.

Mechanical

- Where applicable, our HVAC units are high-efficiency ASHRAE 90.1-2007-compliant, and we employ demand-controlled, CO₂-based ventilation.
- Restroom exhaust fans are controlled by occupancy sensors.
- We generate air test and balance reports to ensure efficient setup of mechanical systems.

Electrical and Lighting

- Freezers and coolers in Dollar Tree stores have been installed with LED lighting since 2008
- Restroom lighting is controlled by occupancy sensors.



- Compact Fluorescent Lamps have been used in checkout lanes instead of incandescent lamps in our stores since 2008. Checkout lane lights for new stores were converted to LED starting in 2010.
- LEDs are used as the light source for our building signage in new stores.

Plumbing

Each new store project is evaluated for maximum efficiency. Where new fixtures are required, non-cooled drinking fountains and low-flow, pressure-assisted toilets are installed to minimize energy consumption and water usage. Metering faucets are used in our lavatories as required by code in order to automatically shut off water flow.

Energy Management System – in 99.8% of our U.S. Stores

- HVAC is monitored for proper operation and is adjusted according to occupied and unoccupied hours. This includes night setback temperatures and outside air damper control.
- Interior lighting is controlled according to store schedule, including the reduction of the sales area lighting by 50% before and after store hours.
- Storefront daylight harvesting is employed in California, and in all states that have adopted the 2009 International Energy Conservation Code. Our daylight harvesting control shuts off the first few rows of lights at the storefront glass when required lighting levels are reached.

Tenant Build-Out Projects






- New stores utilize polished concrete flooring where conditions allow. These floors are more durable and require less maintenance than other flooring systems.
- When installing new glass, store glazing with one-inch low “E” insulated glass is used to reduce heat gain and loss.

Standards for Projects in Free-standing Store Locations

- Buildings are designed in accordance with the Advance Energy Design Guidelines for small retail buildings. This method of building envelope design and construction is approved by the Green Building Council and results in 30% energy reduction.
- Cool roofs constructed of white roofing material are used to reduce heat gain.
- Store glazing with one-inch low “E” insulated glass is used to reduce heat gain and loss.
- Exposed roof decks are used to reduce construction material such as ceiling grids, tiles, and ties.
- Where permitted, we design our stores to enhance daylight harvesting.

Cardboard Recycling

- Where possible, our stores recycle cardboard. Balers or compactors are installed for cardboard recycling in approximately 1,600 of our larger stores where conditions allow. Dollar Tree has diverted 33,388 tons of baled cardboard from landfills from February 2015 through January 2016.

February 2015 - January 2016	
Tons of Cardboard Collected	33,388
 Trees Saved	567,596
 Gallons of Water Saved	233,716,000
 Pounds of Air Pollution Avoided	2,003,280
 Kilowatts of Energy Saved	133,552,000
 Cubic Yards of Landfill Space Saved	100,164

source - <http://www.recycling-revolution.com/recycling-facts.html>



- New stores now use a cardboard only recycling container during the merchandising phase for store openings where possible.
- Other stores utilize recycling containers for cardboard, where possible, per waste-handling policy of the locality.
- Construction waste is recycled according to local regulatory requirements, including all stores in California.

Store Supplies and Procurement

- Our introduction of reusable shopping bags has decreased customer need for paper and standard plastic bags.
- We modified our shopping cart design, enabling more carts to be transported per truckload, which has reduced shipping needs by five truckloads annually.
- The print on customer receipts was modified resulting in an annual reduction of 260,000 feet of receipt tape.
- We have eliminated the use of wrapping paper. Our stores now use recycled newspaper to wrap purchased items.
- Hand dryers have been installed in all stores since 2007, reducing the need for paper towels.
- Our automated purchase order and invoice process eliminates more than 100,000 paper invoices each year.
- Nearly all store employee documents are made available electronically, rather than printed.

Distribution Centers and Transportation

In addition to the sustainability initiatives in our stores, there are a number of policies, practices, and achievements associated specifically with Dollar Tree's distribution centers and transportation system. Following are some key examples.

- All of our distribution centers recycle both corrugated and stretch wrap, and each of these facilities recycle wooden pallets.
- The Company's San Bernardino, California distribution center is a LEED Silver Certified facility based on its high-energy lighting and skylights that aid water conservation, as well as its insulation design. LEED (Leadership in Energy & Environmental Design) is an internationally recognized green building certification system.
- Our distribution center in Stockton, California has replaced all high-bay lighting with T5 energy-efficient fluorescent lights with motion sensors.
- The distribution center in Savannah, Georgia utilizes T5 energy-efficient lighting in the 400,000 sq. ft. building addition that was completed in 2011.
- Four additional distribution centers were retrofitted to utilize T5 energy-efficient lighting in 2013. These include the Dollar Tree distribution centers in Olive Branch, Mississippi; Ridgefield, Washington; Joliet, Illinois; and Marietta, Oklahoma – including the new 400,000 sq. ft. building addition to the Marietta facility, completed in the autumn of 2013. Also, the company's newest distribution center, located in Windsor, Connecticut, has utilized T5 lighting since its opening in the summer of 2013.



- In November 2014, Dollar Tree fulfilled the Environmental Protection Agency's (EPA) requirements to be certified as a member of the SmartWay Shipper program for a third consecutive year. SmartWay membership demonstrates Dollar Tree's environmentally efficient freight transportation efforts through the use of fuel efficient intermodal transportation services and contracting with motor carriers that are also recognized as SmartWay Transportation Partners by the EPA.
- Dollar Tree is listed on the EPA website as an active SmartWay Partner. The SmartWay Program is a public-private initiative among the EPA, large and small trucking companies, rail carriers, logistics companies, commercial manufacturers, retailers and other Federal and state agencies. The purpose is to improve fuel efficiency and the environmental performance of goods movement supply chains, in terms of reductions of both greenhouse gas emissions and air pollution. More information may be found on the SmartWay Transport website at www.epa.gov/smartway, and clicking of "Partner and Affiliate List."
- The company participates in hardware recycling for our end-of-life systems, placing them back into a spare/recovery/reuse scenario instead of disposal.
- In addition, the re-use of production systems in the company's Disaster Recovery operation extends the life of purchased systems and reduces the need for new purchases.
- We have installed motion detection for our lighting systems in the data center to reduce power consumption.
- We have deployed energy management technology on our retail store registers to reduce electrical consumption while the registers are idle.
- The Company now uses electronic benefits enrollment for associates. This reduces the need for supplying printed documents for thousands of associates as well as the associated shipping and delivery of those printed materials.
- Dual wiring (network and voice) has been eliminated in our corporate office through the use of IP phones.
- We have installed Multi-Functional Printers, when printing is necessary. These devices print more efficiently and provide scanning to avoid printing altogether, when possible. We are introducing print technologies to better utilize those assets and provide more efficient written communication.
- Printers at our Store Support Centers have default settings to print on both sides of paper to minimize waste.
- We utilize tablets versus laptops to reduce power usage, disposal and cost. Also, we have tested PC virtualization, looking for its potential use in our next hardware upgrade in lieu of PCs.

Information Technology

The optimal use of information technology can provide significant energy savings and reductions in emissions. Examples follow below.

- Virtualization has significantly reduced our implementation of physical systems, reducing energy costs.
- We are employing Video Conferencing (VTC) for the purpose of increasing communication and reducing the need for travel. This reduces energy consumption, lowers the company's carbon footprint and improves productivity.



Social Impact

At Dollar Tree, we are fortunate to have the opportunity to make a difference in the lives of people all across the country. First and foremost, we help customers from coast-to-coast stretch their household budgets through our 14,000+ retail stores across 48 U.S. states and five Canadian provinces.

Additionally, our social impact reaches further through a variety of programs and practices that include philanthropic efforts, the impact on local economic development, our employee culture and the Company's expectations of business partners.

Communities

In addition to the tremendous values that our stores offer customers in each of the communities where we operate, Dollar Tree brings value in many other ways, including economic development and philanthropy.

- Our stores not only offer economic value, but also provide an attractive, clean and convenient location where customers can shop.
- Our locations, which averaged approximately 200,000 customer visits per store in 2015, help drive customer traffic to new and existing shopping centers.
- Our continued store expansion creates thousands of new jobs across North America each year.
- Our stores generate millions of dollars in sales tax revenue each year.
- Dollar Tree associates contribute thousands of volunteer hours each year in local communities with efforts focused on Families, the Arts, Food-banks and Environmental Stewardship.
- Since 2006, Dollar Tree has been the sole sponsor for the "Growing Wetlands in the Classroom" project in Southeastern Virginia. This effort provides 240 local schools and 7,000 students the opportunity to learn about the region's wetlands and their impact on the Chesapeake Bay. By participating in this program, students develop an appreciation for environmental stewardship and actively participate in sustainability efforts. More than 10,000 plants and 200 trees were restored by students in the past growing season.
- Since 2012, associates at our Chesapeake store support center have participated in supporting the FoodBank of Southeastern Virginia. Contributions, in addition to corporate monetary donations, have totaled more than 38,000 pounds of food, enough to provide nearly 32,000 meals.



- The Company's corporate giving program benefits people on a national level as well. For many years, Dollar Tree has been a National Sponsor for Operation Homefront, a non-profit organization that provides emergency assistance and morale to the nation's troops, to the families they leave behind and to the wounded warriors when they return home. Since 2006, Dollar Tree and its customers have donated more than \$91 million in cash and in-kind support of Operation Homefront.
- The Company also supports many other important causes including, but not limited to, Feeding America, Boys & Girls Clubs of America, REACH (Reading Enriches All Children), American Cancer Society's Making Strides Against Breast Cancer, American Diabetes Association's Tour de Cure, and Junior Achievement.

Employees

As a large and growing North American employer, we recognize that the work culture we create and maintain is one of the most significant ways we can have a positive social impact. Importantly, we recognize that none of our Company's goals could be achieved without the combined dedication, talent, creativity and hard work of our associates.

For these reasons, we are committed to a culture in which:

- Every job is important, and each person is treated with respect.
- Every associate's contributions are valued.
- Career development is fostered.
- Individual creativity and idea generation are encouraged and valued.
- Profitable growth drives continued job opportunities.

We are committed to finding, developing and retaining great people.

We expect all of our associates to adhere to the Company's Code of Ethics in all areas of the business, including relationships with suppliers or other business partners.

Our Code of Ethics can be viewed in the Corporate Governance portion of our website at www.DollarTreeInfo.com/investors/corporate/.



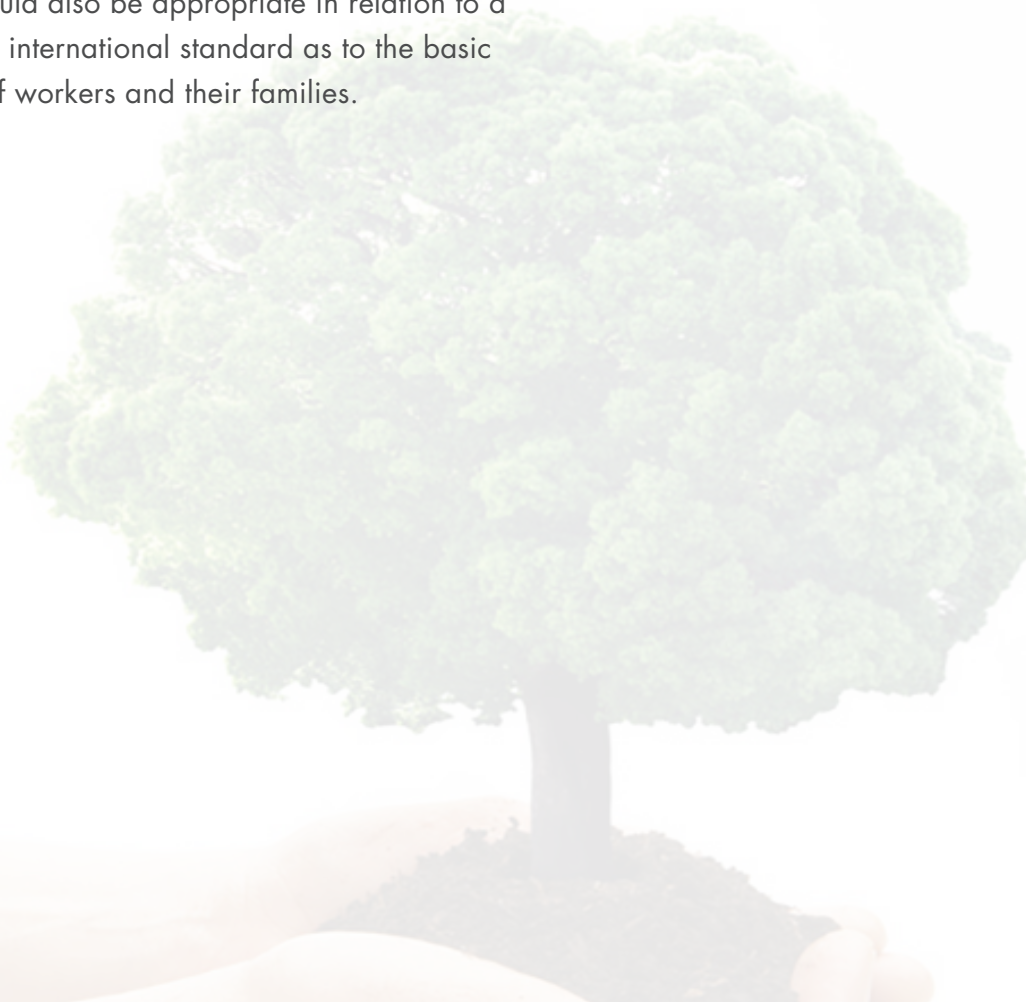
Business Partners

Dollar Tree maintains relationships with business partners around the world. Through our business relationships, we are able to expand the influence of our principles of ethical business practice and recognition of the dignity of workers. We expect our business partners to respect and adhere to the same standards as Dollar Tree in the operation of their businesses.

These include:

- Compliance with all local laws regulating working conditions, wages, work hours and benefits. Wage and benefit policies must be consistent with prevailing local and national standards and should also be appropriate in relation to a broader international standard as to the basic needs of workers and their families.

- We will not work with companies that utilize prison labor or forced labor, that engage in human trafficking or slavery or that employ physical or mental coercion or punishment against workers.
- We encourage our business partners to embrace a concern for environmental protection and to conduct their operations consistent with both local and internationally recognized environmental practices.
- We have completed third-party social compliance audits of all of our major suppliers and continue to enhance our compliance program with unscheduled audits and supplier training on best practices.



Corporate Governance

Dollar Tree is dedicated to responsible corporate governance and to value creation for our long-term shareholders. Being above reproach regarding operational and financial decisions is among our longest-standing commitments.

Some specifics of our approach and associated accomplishments are listed below.

- Above all, we believe in strict adherence to our core values of honesty, integrity, and transparency in all aspects of our business.
 - We have consistently generated significant cash flow and have been a prudent manager of capital for the benefit of long-term shareholders.
 - In addition to growth in sales and earnings, we have invested more than \$3.6 billion for share repurchase since 2004 to create additional value for shareholders.
- Our Board of Directors is active, involved and committed to strong corporate governance.
 - The majority of our Board is comprised of independent directors. All of the standing committees of the Board consist entirely of independent directors, and we have a lead independent director.
 - The Board regularly reviews Dollar Tree's governance and the effectiveness of the Board, Board committees and individual directors.
 - The Board is committed to reviewing best practices and has made several changes in recent years. These include the following:
 - In 2003, separating the roles of Chairman and CEO.
 - In 2007:
 - adopting a majority vote policy for directors who run unopposed,
 - appointing a lead independent director,
 - adopting detailed Corporate Governance Guidelines.



- Since July 2007, we have added five new independent directors.
 - In 2008, we amended the Company's Articles of Incorporation to eliminate supermajority voting.
 - In 2009, we created the new position of Vice President, Corporate Governance. This officer serves as the liaison with shareholders on governance matters. The position was created in order to provide a more direct channel for communication with our shareholders.
 - In 2010, the company's Articles of Incorporation were amended to declassify the Board of Directors.
 - In 2011, the Board decided to hold a "Say on Pay" advisory vote on an annual basis. The Board believes that "Say on Pay" is an important means by which shareholders may express their views regarding the Company's executive compensation.
 - Since 2011, our executive compensation program has received strong shareholder support, as demonstrated by our Say on Pay voting results.
 - Also in 2011, we formally instituted responsibility for Corporate Sustainability Reporting (CSR). Directed by the Chief Executive Officer, this effort involves all of the Company's Chief Officers and the Corporate Secretary/Chief Legal Officer. With their guidance and commitment, CSR efforts are coordinated by the Vice President, Investor Relations in partnership with other business leaders throughout the organization.
- In 2015, the Company's by-laws were amended to implement a majority voting standard in uncontested director elections.
 - We continue to increase our understanding of industry standards for best practices in corporate governance as they evolve.
 - We maintain an open dialogue with shareholders on governance matters.
 - Dollar Tree has earned a "clean bill of health" with no material weakness noted in its assessment of controls supporting the accounting and reporting processes in compliance with the requirements of Sarbanes-Oxley legislation in every year since the law was enacted in 2002.
 - We conduct all our business in a manner consistent with the highest ethical standards, and we seek and utilize partners who do likewise, as this contributes directly to our corporate reputation and to the collective success of our organization and our business partners.



Looking Ahead

Sustainability in all its forms – environmental, social, and corporate – is a process of continuous improvement. As part of this process, in order to set and meet ever higher standards, Dollar Tree is committed to the ongoing review of our own policies and processes and the best practices of our industry, and to report our progress to you, on our website.

