

Management's Discussion and Analysis

This Management's Discussion and Analysis (MD&A) contains important information about our business and our performance for the year ended December 31, 2023. This MD&A should be read in conjunction with our 2023 Audited Consolidated Financial Statements, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

All dollar amounts are in Canadian dollars unless otherwise stated. All percentage changes are calculated using the rounded numbers as they appear in the tables. This MD&A is current as at March 5, 2024 and was approved by RCI's Board of Directors (the Board). This MD&A includes forward-looking statements and assumptions. See "About Forward-Looking Information" for more information.

We, us, our, Rogers, Rogers Communications, and the Company refer to Rogers Communications Inc. and its subsidiaries. RCI refers to the legal entity Rogers Communications Inc., not including its subsidiaries. Rogers also holds interests in various investments and ventures.

Effective this year, we retrospectively amended our definitions of (i) adjusted net income and (ii) adjusted net debt. See "Review of Consolidated Performance" and "Financial Condition" for more information.

In this MD&A, *first quarter* refers to the three months ended March 31, 2023, *second quarter* refers to the three months ended June 30, 2023, *third quarter* refers to the three months ended September 30, 2023, *fourth quarter* refers to the three months ended December 31, 2023, *this year* refers to the twelve months ended December 31, 2023, and *last year* refers to the twelve months ended December 31, 2022. All results commentary is compared to the equivalent periods in 2022 or as at December 31, 2022, as applicable, unless otherwise indicated.

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ABOUT FORWARD-LOOKING INFORMATION

This MD&A includes "forward-looking information" and "forward-looking statements" within the meaning of applicable securities laws (collectively, "forward-looking information"), and assumptions about, among other things, our business, operations, and financial performance and condition approved by our management on the date of this MD&A. This forward-looking information and these assumptions include, but are not limited to, statements about our objectives and strategies to achieve those objectives, and about our beliefs, plans, expectations, anticipations, estimates, and intentions.

Forward-looking information:

- typically includes words like *could*, *expect*, *may*, *anticipate*, *assume*, *believe*, *intend*, *estimate*, *plan*, *project*, *guidance*, *outlook*, *target*, and similar expressions;
- includes conclusions, forecasts, and projections that are based on our current objectives and strategies and on estimates, expectations, assumptions, and other factors that we believe to

- have been reasonable at the time they were applied but may prove to be incorrect; and
- was approved by our management on the date of this MD&A.

Our forward-looking information includes forecasts and projections related to the following items, among others:

- revenue;
- total service revenue;
- adjusted EBITDA;
- capital expenditures;
- cash income tax payments;
- free cash flow;
- dividend payments;
- the growth of new products and services;
- expected growth in subscribers and the services to which they subscribe;
- the cost of acquiring and retaining subscribers and deployment of new services;
- continued cost reductions and efficiency improvements;
- our debt leverage ratio;
- the benefits expected to result from the Shaw Transaction (as defined below), including corporate, operational, scale, and other synergies, and their anticipated timing;
- the proposed sales of non-core assets; and
- all other statements that are not historical facts.

Specific forward-looking information included in this MD&A includes, but is not limited to, information and statements under "Financial and Operating Guidance" relating to our 2024 consolidated guidance on total service revenue, adjusted EBITDA, capital expenditures, and free cash flow. All other statements that are not historical facts are forward-looking information.

We base our conclusions, forecasts, and projections (including the aforementioned guidance) on a number of estimates, expectations, assumptions, and other factors, including, among others:

- general economic and industry conditions, including the effects of inflation;
- currency exchange rates and interest rates;
- product pricing levels and competitive intensity;
- subscriber growth;
- pricing, usage, and churn rates;
- changes in government regulation;
- technology and network deployment;
- availability of devices;
- timing of new product launches;
- content and equipment costs;
- the integration of acquisitions; and
- industry structure and stability.

Except as otherwise indicated, this MD&A and our forward-looking information do not reflect the potential impact of any non-recurring or other special items or of any dispositions, monetization events, mergers, acquisitions, other business combinations, or other transactions that may be considered or announced or may occur after the date on which the statement containing the forward-looking information is made.

RISKS AND UNCERTAINTIES

Actual events and results can be substantially different from what is expressed or implied by forward-looking information as a result of risks, uncertainties, and other factors, many of which are beyond our control, including, but not limited to:

- regulatory changes;
- technological changes;
- economic, geopolitical, and other conditions affecting commercial activity;
- unanticipated changes in content or equipment costs;
- changing conditions in the entertainment, information, and/or communications industries;
- sports-related work stoppages or cancellations and labour disputes;
- the integration of acquisitions;
- litigation and tax matters;
- the level of competitive intensity;
- the emergence of new opportunities;
- external threats, such as epidemics, pandemics, and other public health emergencies, natural disasters, the effects of climate change, or cyberattacks, among others;
- anticipated asset sales may not be achieved within the expected timeframes or at all for proceeds in the amount or type expected;
- new interpretations and new accounting standards from accounting standards bodies; and
- the other risks outlined in "Risks and Uncertainties Affecting our Business".

These factors can also affect our objectives, strategies, and intentions. Many of these factors are beyond our control or our current expectations or knowledge. Should one or more of these risks, uncertainties, or other factors materialize, our objectives, strategies, or intentions change, or any other factors or assumptions underlying the forward-looking information prove incorrect, our actual results and our plans could vary significantly from what we currently foresee.

Accordingly, we warn investors to exercise caution when considering statements containing forward-looking information and caution them that it would be unreasonable to rely on such statements as creating legal rights regarding our future results or plans. We are under no obligation (and we expressly disclaim any such obligation) to update or alter any statements containing forward-looking information or the factors or assumptions underlying them, whether as a result of new information, future events, or otherwise, except as required by law. All of the forward-looking information in this MD&A is qualified by the cautionary statements herein.

BEFORE MAKING AN INVESTMENT DECISION

Before making any investment decisions and for a detailed discussion of the risks, uncertainties, and environment associated with our business, its operations, and its financial performance and condition, fully review the sections in this MD&A entitled "Regulation in our Industry", "Risk Management", and "Sustainability and Social Impact", as well as our various other filings with Canadian and US securities regulators, which can be found at sedarplus.ca and sec.gov, respectively.

FOR MORE INFORMATION

You can find more information about us, including our Annual Information Form, on our website (investors.rogers.com), on SEDAR+ (sedarplus.ca), and on EDGAR (sec.gov), or you can e-mail us at investor.relations@rci.rogers.com. Information on or connected to these websites and any other websites and any reports, including our 2023 Annual Report, referenced in this document does not constitute part of this MD&A except to the extent that information is expressly included herein.

You can also find information about our governance practices, corporate social responsibility reporting, a glossary of communications and media industry terms, and additional information about our business at investors.rogers.com.

Executive Summary

ABOUT ROGERS

Rogers is Canada's leading wireless, cable and media company that provides connectivity and entertainment to Canadian consumers and businesses across the country. Our shares are publicly traded on the Toronto Stock Exchange (TSX: RCI.A and RCI.B) and on the New York Stock Exchange (NYSE: RCI).

Almost all of our operations and sales are in Canada. We have a highly skilled and diversified workforce of approximately 26,000 employees. Our head office is in Toronto, Ontario and we have numerous offices across Canada. We are a strong national company investing in Canada and are committed to embedding sustainable practices in how we do business. We report our results of operations in three reportable segments. See "Understanding Our Business" for more information.

2023 HIGHLIGHTS

KEY FINANCIAL INFORMATION

	Years ended December 31		
	2023	2022	% Chg
(In millions of dollars, except margins and per share amounts)			
Consolidated			
Total revenue	19,308	15,396	25
Total service revenue ¹	16,845	13,305	27
Adjusted EBITDA ²	8,581	6,393	34
Adjusted EBITDA margin ²	44.4%	41.5%	2.9 pts
Net income	849	1,680	(49)
Adjusted net income ²	2,406	1,915	26
Basic earnings per share	\$ 1.62	\$ 3.33	(51)
Adjusted basic earnings per share ²	\$ 4.60	\$ 3.79	21
Capital expenditures ³	3,934	3,075	28
Cash provided by operating activities	5,221	4,493	16
Free cash flow ²	2,414	1,773	36
Wireless			
Service revenue	7,802	7,131	9
Revenue	10,222	9,197	11
Adjusted EBITDA	4,986	4,469	12
Adjusted EBITDA margin ⁴	63.9%	62.7%	1.2 pts
Cable			
Revenue	7,005	4,071	72
Adjusted EBITDA	3,774	2,058	83
Adjusted EBITDA margin	53.9%	50.6%	3.3 pts
Media			
Revenue	2,335	2,277	3
Adjusted EBITDA	77	69	12
Adjusted EBITDA margin	3.3%	3.0%	0.3 pts

¹ As defined. See "Key Performance Indicators".

² Adjusted EBITDA is a total of segments measure. Adjusted EBITDA margin is a supplementary financial measure. Adjusted basic earnings per share is a non-GAAP ratio. Adjusted net income is a non-GAAP financial measure; adjusted net income is a component of adjusted basic earnings per share. Free cash flow is a capital management measure. These are not standardized financial measures under IFRS and might not be comparable to similar financial measures disclosed by other companies. See "Non-GAAP and Other Financial Measures" for more information about these measures.

³ Includes additions to property, plant and equipment net of proceeds on disposition, but does not include expenditures for spectrum licences, additions to right-of-use assets, or assets acquired through business combinations.

⁴ Calculated using Wireless service revenue.

KEY PERFORMANCE INDICATORS

	As at or years ended December 31		
	2023	2022	Chg
Subscriber results (in thousands) ¹			
Wireless postpaid mobile phone net additions ^{2,3}	674	545	129
Wireless prepaid mobile phone net (losses) additions ⁴	(50)	89	(139)
Wireless mobile phone subscribers ^{2,3,4}	11,609	10,647	962
Retail Internet net additions	77	52	25
Retail Internet subscribers ^{5,6}	4,162	2,284	1,878
Video net additions	15	32	(17)
Video subscribers ⁵	2,751	1,525	1,226
Smart Home Monitoring net losses	(12)	(12)	-
Smart Home Monitoring subscribers	89	101	(12)
Home Phone net losses	(116)	(76)	(40)
Home Phone subscribers ⁵	1,629	836	793
Customer relationships net (losses) additions	(2)	6	(8)
Total customer relationships ^{5,6}	4,636	2,590	2,046
Additional Wireless metrics ¹			
Postpaid mobile phone churn (monthly)	1.11%	0.90%	0.21 pts
Mobile phone ARPU (monthly) ^{1,7}	\$ 57.86	\$ 57.89	(\$ 0.03)
Additional Cable metrics ¹			
ARPA (monthly) ^{1,7}	\$ 142.58	\$130.12	\$ 12.46
Penetration	46.6%	53.9%	(7.3 pts)
Ratios			
Capital intensity ^{1,7}	20.4%	20.0%	0.4 pts
Dividend payout ratio of net income ^{1,7}	123.2%	60.1%	63.1 pts
Dividend payout ratio of free cash flow ^{1,7}	43.3%	57.0%	(13.7 pts)
Return on assets ^{1,7}	1.2%	3.0%	(1.8 pts)
Debt leverage ratio ⁷	5.0	3.3	1.7
Pro forma debt leverage ratio ⁷	4.7		
Employee-related information			
Total active employees	26,000	22,000	4,000

¹ As defined. See "Key Performance Indicators".

² Effective April 1, 2023, we adjusted our postpaid mobile phone subscriber base to remove 51,000 subscribers relating to a wholesale account.

³ On April 3, 2023, we acquired approximately 501,000 postpaid mobile phone subscribers as a result of the Shaw Transaction (as defined below), which are not included in net additions, but do appear in the ending total balances. As at December 31, 2023, we had completed migrating these subscribers to the Rogers network; there were 18,000 deactivated subscribers that could not be migrated and were therefore removed from our postpaid mobile phone subscriber base effective December 31, 2023.

⁴ Effective December 1, 2023, we adjusted our Wireless prepaid subscriber base to remove 94,000 subscribers as a result of a change to our deactivation policy from 90 days to 30 days.

⁵ On April 3, 2023, we acquired approximately 1,961,000 retail Internet subscribers, 1,203,000 Video subscribers, 890,000 Home Phone subscribers, 4,935,000 homes passed, and 2,191,000 customer relationships as a result of the Shaw Transaction (as defined below). The acquired Satellite subscribers are not included in our reported subscriber, homes passed, or customer relationship metrics. On November 1, 2023, we acquired approximately 22,000 retail Internet subscribers, 8,000 Video subscribers, 19,000 Home Phone subscribers, 8,000 homes passed, and 30,000 customer relationships as a result of our acquisition of Comwave. None of these subscribers are included in net additions.

⁶ Effective October 1, 2023, and on a prospective basis, we reduced our retail Internet subscriber base by 182,000 and our customer relationships by 173,000 to remove Fido Internet subscribers as we stopped selling new plans for this service as of that date. Given this, we believe this adjustment more meaningfully reflects the underlying organic subscriber performance of our retail Internet business.

⁷ Mobile phone ARPU, ARPA, capital intensity, dividend payout ratio of net income, dividend payout ratio of free cash flow, and return on assets are supplementary financial measures. Debt leverage ratio is a capital management measure. Pro forma debt leverage ratio is a non-GAAP ratio. Pro forma trailing 12-month adjusted EBITDA is a non-GAAP financial measure and is a component of pro forma debt leverage ratio. These are not standardized financial measures under IFRS and might not be comparable to similar financial measures disclosed by other companies. See "Non-GAAP and Other Financial Measures" and "Financial Condition" for an explanation as to the composition of these measures.

FINANCIAL HIGHLIGHTS

REVENUE

Total revenue and total service revenue increased by 25% and 27%, respectively, this year, driven substantially by revenue growth in our Cable and Wireless businesses, including the July 2022 network outage-related credits of \$150 million issued to customers last year.

Wireless service revenue increased by 9% this year, primarily as a result of the cumulative impact of growth in our mobile phone subscriber base and revenue from Shaw Mobile subscribers acquired through the Shaw Transaction (as defined in "Shaw Transaction"), and the impact of the July 2022 network outage-related credits. Wireless equipment revenue increased by 17% primarily as a result of an increase in new subscribers purchasing devices and a continued shift in the product mix towards higher-value devices.

Cable service revenue increased this year primarily as a result of the Shaw Transaction and the impact of the July 2022 network outage-related credits.

Media revenue increased by 3% this year primarily as a result of higher sports-related revenue, including at the *Toronto Blue Jays*.

ADJUSTED EBITDA

Consolidated adjusted EBITDA increased 34% this year and our adjusted EBITDA margin increased by 290 basis points as a result of synergies and other efficiencies, including those recognized through the Shaw Transaction and the network outage-related credits issued to customers last year.

Wireless adjusted EBITDA increased 12% this year, primarily due to the flow-through impact of higher revenue as discussed above. This gave rise to an adjusted EBITDA service margin of 63.9%.

Cable adjusted EBITDA increased 83% this year due to the flow-through impact of higher revenue as discussed above and the achievement of cost synergies associated with integration activities. This gave rise to an adjusted EBITDA margin of 53.9%.

Media adjusted EBITDA increased by \$8 million this year primarily due to higher revenue as discussed above, partially offset by higher Toronto Blue Jays payroll costs.

NET INCOME AND ADJUSTED NET INCOME

Net income decreased by 49% this year, primarily as a result of higher depreciation and amortization, higher finance costs, and higher restructuring, acquisition and other costs, primarily associated with the Shaw Transaction and integration-related activities. Adjusted net income increased by 26% this year, primarily as a result of higher adjusted EBITDA.

See "Review of Consolidated Performance" for more information.

CASH FLOW AND AVAILABLE LIQUIDITY

We returned substantial cash to shareholders this year through the payment of \$960 million in dividends. In addition, we declared a \$0.50 per share dividend on January 31, 2024.

Our cash provided by operating activities increased by 16% this year, primarily a result of higher adjusted EBITDA, as well as the impact of lower income taxes paid, partially offset by higher investment in net operating assets and higher interest paid, related to the Shaw senior note financing (as defined below). Free cash flow increased 36% this year, primarily as a result of higher adjusted EBITDA.

As a result of the Shaw Transaction, our debt leverage ratio was 4.7¹ as at December 31, 2023. This has been calculated on an adjusted basis to include trailing 12-month adjusted EBITDA of a combined Rogers and Shaw as if the Shaw Transaction had closed at the beginning of the trailing 12-month period. If calculated on an as reported basis without the foregoing adjustment, our debt leverage ratio as at December 31, 2023 was 5.0 (2022 - 3.3). See "Financial Condition" for more information.

Our overall weighted average cost of all borrowings was 4.85% as at December 31, 2023 (2022 - 4.50%) and our overall weighted average term to maturity on our debt was 10.4 years as at December 31, 2023 (2022 - 11.8 years).

We ended the year with approximately \$5.9 billion of available liquidity² (2022 - \$4.9 billion), including \$4.3 billion (2022 - \$4.4 billion) available under our bank and letter of credit facilities, \$0.8 billion (2022 - nil) available under our \$2.4 billion receivables securitization program, and \$0.8 billion (2022 - \$0.5 billion) in cash and cash equivalents.

¹ Pro forma debt leverage ratio is a non-GAAP ratio. Pro forma trailing 12-month adjusted EBITDA is a non-GAAP financial measure and is a component of pro forma debt leverage ratio. See "Non-GAAP and Other Financial Measures" for more information about these measures. These are not standardized financial measures under IFRS and might not be comparable to similar financial measures disclosed by other companies.

² Available liquidity is a capital management measure. See "Non-GAAP and Other Financial Measures" for more information about this measure.

Shaw Transaction

On April 3, 2023, after receiving all required regulatory approvals and after the Freedom Transaction (as defined below) closed, we acquired all the issued and outstanding Class A Participating Shares and Class B Non-Voting Participating Shares (collectively, Shaw Shares) of Shaw Communications Inc. (Shaw) (Shaw Transaction) for total consideration of \$20.5 billion, consisting of:

- \$19 billion of cash (consisting of \$13 billion of cash and restricted cash and \$6 billion borrowed from our \$6 billion non-revolving term loan facility); and
- approximately \$1.5 billion through the issuance of 23.6 million RCI Class B Non-Voting common shares (Class B Non-Voting Shares) (based on the opening share price of the Class B Non-Voting Shares on the TSX on April 3, 2023 of \$61.33).

On April 3, 2023, the outstanding shares of Freedom Mobile Inc. (Freedom), a subsidiary of Shaw, were sold to Videotron Ltd. (Videotron), a subsidiary of Quebecor Inc. (Quebecor) (Freedom Transaction). The Freedom Transaction was effected pursuant to an agreement entered into on August 12, 2022 among Rogers, Shaw, Quebecor, Videotron, and others, which provided for the sale of all Freedom-branded wireless and Internet customers and all of Freedom's infrastructure, spectrum licences, and retail locations. In connection with the closing of the Freedom Transaction, Rogers entered into long-term commercial arrangements with Freedom, Videotron and/or Quebecor under which Rogers (or its subsidiaries) will provide to Quebecor (or its subsidiaries) certain services, including:

- continued access to Shaw's "Go WiFi" hotspots for Freedom Mobile subscribers;
- roaming services on an incidental, non-permanent basis;
- wholesale mobile virtual network operator access services;
- third-party Internet access services; and
- certain backhaul, backbone, and other transport services.

As consideration for the above sale and long-term commercial arrangements, Quebecor paid \$2.85 billion as adjusted pursuant to the terms of the divestiture agreement, resulting in net cash received of \$2.15 billion after accounting for the Freedom debt assumed by Quebecor.

Rogers and Quebecor also agreed to provide each other with customary transition services as necessary to facilitate (i) the operation of the Freedom and Shaw Mobile businesses for a period of time post-closing and (ii) the separation of Freedom's business from the other businesses and operations of Shaw and its affiliates. The Freedom Transaction did not include the sale of Shaw Mobile-branded wireless subscribers; accordingly, these wireless subscribers were acquired by Rogers.

On April 3, 2023, following the completion of the Shaw Transaction, Shaw was amalgamated with RCI. As a result of this amalgamation, RCI became the issuer and assumed all of Shaw's obligations under the indenture governing Shaw's outstanding senior notes with a total principal amount of \$4.55 billion as at April 3, 2023, of which \$4.05 billion remained outstanding as at December 31, 2023. As a result, the assumed senior notes now rank equally with RCI's other unsecured senior notes and debentures, bank credit facilities, and letter of credit facilities. In connection with the Shaw Transaction, Rogers Communications Canada Inc. (RCCI) provided a guarantee for Shaw's payment obligations under those senior notes.

REGULATORY APPROVAL

On March 31, 2023, the Minister of Innovation, Science and Industry approved the transfer of Freedom's spectrum licences to Videotron, following which the Shaw Transaction and Freedom Transaction closed on April 3, 2023. As part of the regulatory approval process, we agreed to certain legally enforceable undertakings with Innovation, Science and Economic Development Canada (ISED Canada), each of which is detailed in "Regulation in our Industry".

THE ACQUIRED SHAW BUSINESS

The Shaw business we acquired provides cable telecommunications, satellite video services, and data networking to residential customers, businesses, and public sector entities in British Columbia, Alberta, Saskatchewan, and Manitoba (Western Canada). Shaw's primary products included Internet (through Fibre+), Video (through Total TV and Shaw Direct satellite), home phone services, and Wireless services (through Shaw Mobile to consumers in British Columbia and Alberta). Subsequent to closing, we stopped selling services under the Shaw Mobile brand to new customers. These services continue to be offered by Rogers to existing Shaw Mobile customers.

Combined, Rogers and Shaw has the scale, assets, and capability to deliver unprecedented wireline and wireless broadband and network investments, innovation, and growth in new telecommunications services, and greater choice for Canadian consumers and businesses. The Shaw Transaction has accelerated the delivery of critical 5G service across Western Canada, from rural areas to dense cities, more quickly than either Rogers or Shaw could achieve on their own, by bringing together the expertise and assets of both companies.

As a combined company, we remain committed to making a meaningful impact through investments to improve digital access, help the next generation achieve their highest potential, take action on climate change, keep Canadians safe, and deliver value to our customers and communities.

The results from the acquired Shaw wireline operations are included in our Cable segment and the results of the acquired Shaw Mobile operations are included in our Wireless segment, from the date of acquisition, consistent with our reportable segment definitions.

The major classes of assets acquired, along with the allocation of fair value to each, consist of property, plant and equipment (\$8.0 billion) and intangible assets (\$6.0 billion, primarily customer relationships). We have recognized goodwill of \$12.2 billion associated with the acquisition. The recognition of these assets has resulted in a material increase to our depreciation and amortization expense that will continue on an ongoing basis. There has also been a material increase in finance costs in relation to the financing incurred to fund the acquisition and acquiring Shaw's long-term debt. See "Review of Consolidated Performance" for more information.

In addition, targeted cost synergies, together with organic service revenue and earnings growth, has resulted, and will continue to result, in an offsetting and material increase to our adjusted EBITDA and net income on an ongoing basis.

Understanding Our Business

Rogers is Canada's leading wireless, cable, and media company.

We report our results of operations in three reportable segments. Each segment and the nature of its business are as follows:

Segment	Principal activities
Wireless	Wireless telecommunications operations for Canadian consumers and businesses.
Cable	Cable telecommunications operations, including Internet, television and other video (Video), Satellite, telephony (Home Phone), and smart home monitoring services for Canadian consumers and businesses, and network connectivity through our fibre network and data centre assets to support a range of voice, data, networking, hosting, and cloud-based services for the business, public sector, and carrier wholesale markets.
Media	A diversified portfolio of media properties, including sports media and entertainment, television and radio broadcasting, specialty channels, multi-platform shopping, and digital media.

See "Capability to Deliver Results" for more information about our extensive wireless and cable networks and significant wireless spectrum position.

Wireless and Cable are operated by our wholly owned subsidiary, RCCI, and certain of our other wholly owned subsidiaries. Media is operated by our wholly owned subsidiary, Rogers Media Inc., and its subsidiaries.

PRODUCTS AND SERVICES

WIRELESS

We are the largest provider of wireless communication services in Canada as at December 31, 2023. We are a Canadian leader in delivering a range of innovative wireless network technologies and services. We were the first Canadian carrier to launch a 5G network and we have the largest 5G network in Canada, serving over 2,200 communities as at December 31, 2023. Our postpaid and prepaid wireless services are offered under the Rogers, Fido, and chatr brands, and provide consumers and businesses with the latest wireless devices, services, and applications including:

- mobile high-speed Internet access, including our *Rogers Infinite* unlimited data plans;
- wireless voice and enhanced voice features;
- Express Pickup, a convenient service for purchasing devices online or through a customer care agent, with the ability to pick up in-store as soon as the same day;
- direct device shipping to the customer's location of choice;
- device financing;
- device protection;
- global voice and data roaming, including *Roam Like Home* and *Fido Roam*;

- wireless home phone;
- advanced wireless solutions for businesses, including wireless private network services;
- bridging landline phones with wireless phones; and
- machine-to-machine solutions and Internet of Things (IoT) solutions.

CABLE

We are one of the largest cable services providers in Canada. Our cable network provides an innovative and leading selection of high-speed broadband Internet access, Internet protocol-based (IP) television, applications, online viewing, phone, smart home monitoring, and advanced home WiFi services to consumers across Canada. We also provide services to businesses across Canada that aim to meet the increasing needs of today's critical business applications.

Our newest WiFi modem with WiFi 6E, a technology that eases network congestion by simplifying network design and delivering increased performance with higher throughput and wider spectrum channels, allows us to offer new fibre-powered Ignite Internet packages and bundles with up to 8 gigabit per second (Gbps) symmetrical speeds in select areas.

Internet services include:

- Internet access through broadband and fixed wireless access (including basic and unlimited usage packages), security solutions, and e-mail;
- access speeds of up to:
 - 1 Gbps, covering our entire Cable footprint; and
 - 1.5 Gbps, covering the vast majority of our Cable footprint, with some areas able to receive access speeds of up to 8 Gbps symmetrical speeds;
- *Rogers Ignite* unlimited packages, combining fast and reliable speeds with the freedom of unlimited usage and options for self-installation;
- *Rogers Ignite WiFi Hub*, offering a personalized WiFi experience with a simple digital dashboard for customers to manage their home WiFi network, providing visibility and control over family usage, and *Ignite WiFi Pods*, an advanced WiFi system you can plug into different electrical outlets in your home to extend your WiFi coverage;
- *Rogers Smart Home Monitoring*, offering services such as monitoring, security, automation, energy efficiency, and smart control through a smartphone app; and
- *Rogers WiFi Hotspots*, an extension of our customer experience with over 100,000 public access points used by our customers in coffee shops, restaurants, gyms, malls, public transit, and other public spaces covering locations from British Columbia to Ontario. In addition to these public access points, Wireless customers can access more than 950,000 Home Hotspots across Western Canada.

Television services include:

- local and network TV, made available through traditional digital or IP-based *Ignite TV*, including starter and premium channel packages along with à la carte channels;
- on-demand television with *Ignite TV* services;

- cloud-based digital video recorders (DVRs) available with Ignite TV services;
- voice-activated remote controls, restart features, and integrated apps such as YouTube, Netflix, *Sportsnet NOW*, Amazon Prime Video, Disney+, and Apple TV+ on Ignite TV and *Ignite Streaming*;
- personal video recorders (PVRs), including Whole Home PVR and 4K PVR capabilities;
- an Ignite TV app, giving customers the ability to experience Ignite TV (including setting recordings) on their smartphone, tablet, laptop, or computer;
- Ignite Streaming, an entertainment add-on for Ignite Internet customers, giving them access to their favourite streaming services in one place;
- Download and Go, the ability to download recorded programs onto your smartphone or tablet to watch at a later time using the Ignite TV app;
- linear and time-shifted programming;
- digital specialty channels; and
- 4K television programming, including regular season Toronto Blue Jays home games and select marquee National Hockey League (NHL) and National Basketball Association (NBA) games.

Phone services include:

- residential and small business local telephony service; and
- calling features such as voicemail, call waiting, and long distance.

Satellite services include:

- video and audio programming by satellite; our customers have access to over 370 digital video channels and thousands of on-demand, pay-per-view (PPV), and subscription movie and television titles; and
- flexibility with each of our current primary TV packages, which includes a base set of channels and tiered customization options depending on the size of the TV package.

Enterprise services include:

- voice, data networking, IP, and Ethernet services over multi-service customer access devices that allow customers to scale and add services, such as private networking, Internet, IP voice, and cloud solutions, which blend seamlessly to grow with their business requirements;
- optical wave, Internet, Ethernet, and multi-protocol label switching services, providing scalable and secure metro and wide area private networking that enables and interconnects critical business applications for businesses that have one or many offices, data centres, or points of presence (as well as cloud applications) across Canada;
- simplified information technology (IT) and network technology offerings with security-embedded, cloud-based, professionally managed solutions;
- extensive cable access network services for primary, bridging, and back-up (including through our wireless network, if applicable) connectivity; and
- specialized telecommunications technical consulting for Internet service providers (ISPs).

MEDIA

Our portfolio of Media assets, with a focus on sports and regional TV and radio programming, reaches Canadians from coast to coast.

In Sports Media and Entertainment, we own the Toronto Blue Jays, Canada's only Major League Baseball (MLB) team, and the *Rogers Centre* event venue, which hosts the Toronto Blue Jays' home games, concerts, trade shows, and special events.

Our agreement with the NHL (NHL Agreement), which runs through the 2025-2026 NHL season, allows us to deliver more than 1,300 regular season games during a typical season across television, smartphones, tablets, personal computers, and other streaming devices. It also grants Rogers national rights on those platforms to the Stanley Cup Playoffs and Stanley Cup Final, all NHL-related special events and non-game events (such as the NHL All-Star Game and the NHL Draft), and rights to sublicense broadcasting rights.

In Television, we operate several conventional and specialty television networks, including:

- Sportsnet's four regional stations along with *Sportsnet ONE*, *Sportsnet 360*, and *Sportsnet World*;
- Citytv network, which, together with affiliated stations, has broadcast distribution to approximately 72% of Canadian individuals;
- OMNI multicultural broadcast television stations, including OMNI Regional, which provide multilingual newscasts nationally to all digital basic television subscribers;
- specialty channels that include *FX (Canada)*, *FXX (Canada)*, and *OLN (formerly Outdoor Life Network)*; and
- *Today's Shopping Choice*, Canada's only nationally televised shopping channel, which generates a significant and growing portion of its revenue from online sales.

In Radio, we operate 52 AM and FM radio stations in markets across Canada, including popular radio brands such as 98.1 *CHFI*, *CityNews 680*, *Sportsnet 590 The FAN*, *KISS*, *JACK*, and *SONiC*.

We also offer a range of digital services and products, including:

- our digital sports-related assets, including *sportsnet.ca* and *Sportsnet+*;
- other digital assets, including *Citytv+*;
- a range of other websites, apps, podcasts, and digital products associated with our various brands and businesses; and
- out-of-home advertising assets and partnerships allowing us to reach school campuses, bars and restaurants, elevators, salons, and spas, among others.

OTHER

We offer both the *Rogers Mastercard* and the *Rogers World Elite Mastercard*, which allow customers to earn cash back rewards points on credit card spending.

OTHER INVESTMENTS

We hold interests in a number of associates and joint arrangements, some of which include:

- our 37.5% ownership interest in Maple Leaf Sports & Entertainment Ltd. (MLSE), which owns the Toronto Maple Leafs, the Toronto Raptors, Toronto FC, the Toronto Argonauts, and the Toronto Marlies, as well as various associated real estate holdings; and
- our 50% ownership interest in Glentel Inc. (Glentel), a large provider of multicarrier wireless and wireline products and services with several hundred Canadian retail distribution outlets.

In December 2023, we sold our investment interests in Cogeco Inc. and Cogeco Communications Inc. for \$829 million to Caisse de dépôt et placement du Québec in a private transaction.

COMPETITION

The telecommunications industry is a highly competitive industry served by many national, regional, and reseller players giving consumers a broad choice in service providers and plan offerings. The industry is very capital intensive and requires meaningful, continual investments to implement next-generation technology and to support existing infrastructure. Given the highly regulated nature of the industry, the already competitive dynamic could be further influenced by regulatory change (see “Regulation in our Industry” for more information).

Telephony and television services are increasingly offered over the Internet and consumers communicate, watch video, and otherwise interact with the broader world online, including with a growing selection of over-the-top (OTT) services.

In the media industry, consumer viewing habits have shifted towards digital and online media consumption and advertisers are directing their advertising dollars to those channels. In addition, we now compete with a range of digital and online media companies, including large global companies.

WIRELESS

We compete on customer experience, price, quality of service, scope of services, network coverage, sophistication of wireless technology, breadth of distribution, selection of devices, branding, and positioning.

- Wireless technology – Our 5G network caters to customers seeking the increased capacity and speed it provides relative to long-term evolution (LTE) networks. We compete with BCE Inc. (Bell), TELUS Corporation (Telus), and Videotron at a national level, and with Saskatchewan Telecommunications Holding Corporation (SaskTel) and Eastlink Inc. (Eastlink) at a regional level, all of whom operate 5G networks. We also compete with these providers on high-speed packet access (HSPA) and global system for mobile communications (GSM) networks and with providers that use alternative wireless technologies, such as WiFi “hotspots” and mobile virtual network operators (MVNO).
- Product, branding, and pricing – we compete nationally with Bell, Telus, and Videotron, including their flanker brands Virgin Plus (Bell), Lucky Mobile (Bell), Koodo (Telus), Public Mobile (Telus), Fizz (Videotron), and Freedom Mobile (Videotron). We also compete with various regional players and resellers.
- Distribution of services and devices – we have one of the largest distribution networks in the country, and compete with other

service providers for dealers, prime locations for our own stores, and third-party retail distribution shelf space. We also compete with other service providers on the quality and ease of use of our self-serve options and other digital capabilities.

- Wireless networks – consolidation amongst regional players, or with incumbent carriers (including through the Freedom Transaction), could alter the regional or national competitive landscapes for Wireless. Additionally, certain service providers that currently do not offer wireless products or services have purchased spectrum licences and could enter the market in the future.
- Spectrum – we currently have the largest spectrum position in the country. In November 2023, we won 860 spectrum licences covering 87% of the Canadian population at a total cost of \$475 million in the 3800 MHz spectrum licence auction. These spectrum licences, along with other frequency bands, are essential to the deployment of 5G networks. The outcome of this auction may increase competition. See “Regulation in our Industry” for more information.

CABLE

Internet

We compete with other ISPs that offer fixed-connection residential high-speed Internet access services. Our high-speed Internet services compete directly with, among others:

- Bell’s Internet services in Ontario, Manitoba, New Brunswick, Nova Scotia, and Newfoundland, including Virgin Plus;
- Telus’ Internet services in British Columbia and Alberta;
- various resellers, such as TekSavvy and others, using wholesale telecommunication company digital subscriber line (DSL) and cable third-party Internet access (TPIA) services in local markets;
- smaller ISPs, such as Beanfield Metroconnect, in metropolitan areas; and
- newer providers offering low Earth orbiting satellite Internet service in underserved regions.

A number of different players in the Canadian market also compete for enterprise network and communications services. There are relatively few national providers, but each market has its own competitors that usually focus on the geographic areas in which they have the most extensive networks. In the enterprise market, we compete with facilities- and non-facilities-based telecommunications service providers. In markets where we own network infrastructure, we compete with incumbent fibre-based providers. Our main competitors are:

- Ontario – Bell, Cogeco Data Services, Xplore, and Digital Colony;
- Quebec – Bell, Telus, and Videotron;
- Atlantic Canada – Bell, Xplore, and Eastlink; and
- Western Canada – Bell, Telus, and Digital Colony.

Television

We compete with:

- other Canadian multi-channel broadcast distribution undertakings (BDUs), including Bell, Telus, and other satellite and IPTV providers;
- OTT video offerings through providers like Netflix, YouTube, Apple, Amazon Prime Video, Crave, Google, Disney+, DAZN, Paramount+, and other channels streaming their own content; and
- over-the-air local and regional broadcast television signals received directly through antennas, the illegal distribution of Canadian and international channels via video streaming boxes, and the illegal reception of US direct broadcast satellite services.

Phone

While Phone represents a small portion of our business, we compete with other telephony service providers, including:

- Bell's wireline phone service in Ontario, Manitoba, New Brunswick, Nova Scotia, and Newfoundland;
- Telus' wireline phone services in British Columbia and Alberta;
- incumbent local exchange carrier (ILEC) local loop resellers and voice over IP (VoIP) service providers and other VoIP-only service providers (such as Vonage and Skype), and other voice applications that use the Internet access services of ISPs (such as Facebook and WhatsApp); and
- substitution of wireline for wireless products, including mobile phones and wireless home phone products.

MEDIA

Competition in Sports Media and Entertainment includes other:

- televised and online sports broadcasters;
- Toronto professional teams, for attendance at Toronto Blue Jays games;
- MLB teams, for Toronto Blue Jays players and fans;
- local sporting and special event venues;
- professional sports teams, for merchandise sales revenue; and
- new digital sports media companies.

Television and Radio, both of which are focused on local and regional content, compete for audiences and advertisers with:

- other Canadian television and radio stations, including those owned and operated by the CBC, Bell Media, and Corus Entertainment;
- OTT video offerings through providers like Netflix, YouTube, Apple, Amazon Prime Video, Crave, Google, Disney+, DAZN, Paramount+, and other channels streaming their own content;
- OTT radio offerings, such as iHeartRadio, Apple Music, Amazon Music, Spotify, SiriusXM, and Radioplayer Canada;
- other media, including newspapers, magazines, and outdoor advertising; and
- other technologies available on the Internet or through the cloud, such as social media platforms, online web information services, digital assistants, music downloading, and portable media players.

Today's Shopping Choice's model of live, hosted-video sales content and its robust online shopping experience competes with:

- pure play e-commerce retailers servicing Canada;
- select branded retailers in Canada and their related e-commerce websites;
- other available television-shopping channels and infomercials that sell products on television; and
- direct-to-consumer livestream video shopping events, social commerce, and shoppable video technologies that are rapidly emerging online.

Our digital media products compete for audiences and advertisers with:

- online information and entertainment websites and apps, including digital news services, streaming services, and content available via social networking services;
- magazines, both digital and printed; and
- other traditional media, such as TV and radio.

INDUSTRY TRENDS

The telecommunications industry in Canada is very capital intensive and highly regulated. Our reportable segments are affected by various overarching trends relating to changing technologies, consumer demands, economic conditions, and regulatory developments, all of which could limit essential future investments in the Canadian marketplace. See "Risks and Uncertainties Affecting our Business" and "Regulation in our Industry" for more information. Below is a summary of the industry trends affecting our specific reportable segments.

WIRELESS TRENDS

The ongoing extensive investment made by Canadian wireless providers has created far-reaching and sophisticated wireless networks that have enabled consumers and businesses to utilize fast multimedia capabilities through wireless data services. Consumer demand for mobile devices, digital media, and on-demand content is pushing providers to build networks that can support the expanded use of applications, mobile video, messaging, and other wireless data. Mobile commerce continues to increase as more devices and platforms adopt secure technology to facilitate wireless transactions.

Wireless providers continue to invest in the next generation of technologies, like 5G, to meet increasing data demands. New products and applications on the wireless network, such as wireless private networks, will continue to rely on ultra-reliable, low latency transport networks, capable of supporting both wireless and wireline traffic.

To help make the cost of new wireless devices more affordable for consumers, Rogers and other Canadian wireless carriers offer device financing programs. In 2023, we expanded financing available to Rogers customers by introducing the Rogers Mastercard, which provides 3% cash back value for Rogers customers and allows consumers to finance up to the full cost of the device over a 36-month or 48-month term at 0% interest. We believe being able to finance devices over 36 or 48 months will help reduce churn.

In addition to the wireless device financing plans now available, subscribers are increasingly bringing their own devices or keeping their existing devices longer and therefore may not enter into term contracts for wireless services. This may negatively impact churn, but may also create gross addition subscriber opportunities as a result of increased churn from other carriers. This trend may also negatively impact the monthly service fees charged to subscribers as they shop for plans that best meet their needs.

CABLE TRENDS

Economic conditions, technology advancements, non-traditional competitors, consumer behaviours, and regulatory developments are key areas influencing Cable. This market is very capital intensive, and a strong Internet offering is the backbone to effectively serving this market. Applications on the Internet are increasingly being used as a substitute for wireline telephone services, and televised content is increasingly available online. Downward television tier migration (cord shaving) and television cancellation with the intent of substitution (cord cutting) has continued with increased adoption of OTT services.

Canada's economic condition continues to be impacted by recessionary fears, rising interest rates and higher inflation. Housing affordability remains a concern and rising immigration levels may push housing demand and supply further apart, thus adversely impacting the demand for residential cable services.

Cable and wireline companies are expanding their service offerings to include faster broadband Internet, including consistently offering download speeds of 1.5 Gbps, with certain plans offering symmetrical speeds of up to 8 Gbps in select areas, and Internet offerings with unlimited bandwidth. Consumers are demanding faster-than-ever speeds for streaming online media, uploading personal content, playing online video games, and for their ever-growing number of connected devices. In order to help facilitate these speeds, cable and wireline companies are shifting their networks towards higher speed and capacity Data Over Cable Service Interface Specifications (DOCSIS) 3.1 and fibre-to-the-home (FTTH) technologies and they are starting to evolve their networks to be DOCSIS 4.0-capable. These technologies provide faster potential data communication speeds than earlier technologies, allowing both television and Internet signals to reach consumers more quickly in order to sustain reliable speeds to address the increasing number of Internet-capable devices.

Wireless home Internet, or Internet delivered using wireless cellular signals, is increasingly being offered by telecommunications companies in Canada. This technology allows carriers to provide home Internet services to customers who are (i) otherwise unable to be serviced by traditional wireline technologies or (ii) outside of a carrier's cable network footprint, thereby expanding the effective footprint of customers.

People are increasingly working and studying from home, further establishing the need for strong and reliable cable networks that can handle increased capacity than previously existed. Cable and wireline companies have needed to continue adding capacity and managing traffic to continue reliably supporting the needs of Canadians.

Our business customers use fibre-based access and cloud computing to capture and share information in more secure and accessible environments. This, combined with the rise of multimedia and Internet-based business applications, is driving exponential growth in data demand.

Businesses and all levels of government are transforming data centre infrastructure by moving toward virtual data storage and hosting. This is driving demand for more advanced network

functionality, robust, scalable services, and supportive dynamic network infrastructure.

Canadian wireline companies are dismantling legacy networks and investing in next-generation platforms that combine voice, data, and video solutions onto a single distribution and access platform. As next-generation platforms become more popular, our competition will begin to include systems integrators and manufacturers.

Devices and machines are becoming more interconnected and there is more reliance on the Internet and other networks to facilitate updates and track usage.

MEDIA TRENDS

Consumer viewing behaviours are continually evolving and the industry continues to adjust to these changes. Access to live sports and other premium content has become even more important for acquiring and retaining audiences that in turn attract advertisers and subscribers. Therefore, ownership of content and/or long-term agreements with content owners has also become increasingly important to media companies. Leagues, teams, networks, and new digital entrants are also experimenting with the delivery of live sports content through online, social, and virtual platforms, while non-traditional sports are also growing in mindshare.

Consumer demand for digital media, content on mobile devices, and on-demand content is increasing and media products have experienced significant digital uptake, requiring industry players to increase their efforts in digital content and capabilities in order to compete. In response to this trend, advertisers are shifting their spending to premium video and audio products on global digital platforms and social media that enable marketers to narrowly target specific audiences instead of the previous mass marketing approach. This results in lower use of traditional advertising methods and may require a shift in focus.

Competition has changed and traditional media assets in Canada are increasingly being controlled by a small number of competitors with significant scale and financial resources. Technology has allowed new entrants and even individuals to become media players in their own right.

Some of our competitors have become more vertically integrated across both traditional and emerging platforms. Relationships between providers and purchasers of content have become more complex. Global aggregators have also emerged and are competing for both content and viewers.

Our Strategy, Key Performance Drivers, and Strategic Highlights

As part of our vision to become number one, we set objectives to measure progress and to address short-term opportunities and risks.

2023 OBJECTIVES

Our five objectives for 2023 were as follows.

BUILD THE BIGGEST AND BEST NETWORKS IN THE COUNTRY

Our networks are the backbone of the digital economy and our business is built on providing our customers with coverage everywhere. We are focused on expanding coverage to enable Canadians to connect wherever they are and to deliver quality connectivity on networks that are reliable and consistently perform for Canadians and businesses.

DELIVER EASY TO USE, RELIABLE PRODUCTS AND SERVICES

Delivering easy to use, reliable products and services is key to our growth strategy. This includes designing products that are simple, creating plans that are easy to understand, and delivering reliable services our customers can count on.

BE THE FIRST CHOICE FOR CANADIANS

Everything starts and ends with our customers, so improving the customer experience is a key area of focus. We are investing in our frontline and continuing to build our digital and self-serve capabilities. With the evolution of consumer behaviours, we are expanding service channel options to serve our customers how and where they want in order to grow our customer base.

BE A STRONG NATIONAL COMPANY INVESTING IN CANADA

Every year, we reinvest the vast majority of our profits back into our country to connect as many Canadians as possible. We also partner with local community groups to help create a better future for young Canadians, the future leaders of our country.

BE THE GROWTH LEADER IN OUR INDUSTRY

To be number one, we are focused on operating efficiently and executing with excellence to accelerate revenue growth and translate it into strong margins, profit, free cash flow, return on assets, and returns to shareholders.

KEY PERFORMANCE DRIVERS AND 2023 STRATEGIC HIGHLIGHTS

Our five objectives guided our work and decision-making as we further improve our operational execution and made well-timed investments to grow our core businesses, ensure network leadership, and deliver increased shareholder value. We are committed to growing in a socially and environmentally responsible way, advancing our five business priorities while making a positive impact in the lives of Canadians. Below are some highlights for the year.

BUILD THE BIGGEST AND BEST NETWORKS IN THE COUNTRY

- Invested a record \$3.9 billion in capital expenditures, primarily in our wireless and wireline network infrastructure.
- Recognized as the best and most reliable wireless network in Canada for the fifth straight year by *uMlout* in July 2023.
- Expanded Canada's largest and most reliable 5G network to 267 new communities.
- Launched 5G service for all transit riders in the busiest sections of the Toronto Transit Commission (TTC) subway system.
- Signed agreements with SpaceX and Lynk Global to bring satellite-to-mobile phone coverage and completed Canada's first test call.
- Secured 3800 MHz spectrum licences, making Rogers the largest 5G spectrum investor.
- Invested in wildfire detection and prevention technology to help combat climate change events.
- Delivered an additional 50 kilometres of 5G cellular connectivity on Highway 16 in British Columbia to improve public safety.

DELIVER EASY TO USE, RELIABLE PRODUCTS AND SERVICES

- Introduced Rogers Internet and TV services to customers in Western Canada.
- Upgraded all migrated legacy Shaw Mobile customers to Rogers 5G service.
- Introduced the red Rogers Mastercard with 48-month device equal payment plan with 0% interest and up to 3% cash back value for customers.
- Introduced *Ignite Self Protect* for customers to self-monitor their homes with connected devices.

BE THE FIRST CHOICE FOR CANADIANS

- Led the industry in wireless subscriber additions with 674,000 postpaid mobile phone net additions.
- Launched our "We Speak Your Language" program across all retail stores, with the goal of serving customers in their preferred language.
- Secured number-one spots for flagship radio brands *98.1 CHFI*, *CityNews 680*, and *KiSS 92.5* for the Summer 2023 ratings period.
- Helped bring Taylor Swift to Canada in 2024 for six shows in Toronto and three in Vancouver.
- Signed a long-term broadcast agreement with UFC that will bring live UFC events to Sportsnet.

BE A STRONG NATIONAL COMPANY INVESTING IN CANADA

- Successfully completed the historic Shaw Transaction in April 2023.
- Repatriated the Shaw customer service teams as part of our commitment to 100% Canada-based teams.
- Expanded *Connected for Success*, our high-speed, low-cost Internet program to Western Canada.
- Announced a new five-year deal as title sponsor of the Shaw Charity Classic.
- Drove benefits to community organizations across Canada of over \$100 million.

BE A GROWTH LEADER IN OUR INDUSTRY

- Total service revenue up 27%; adjusted EBITDA up 34%.
- Generated free cash flow of \$2,414 million and cash provided by operating activities of \$5,221 million.
- Achieved strong Cable adjusted EBITDA margin expansion of 330 basis points; Shaw integration tracking ahead of plan.
- Delivered on industry-leading 2023 financial guidance.

2024 OBJECTIVES

In 2023, we executed with discipline, delivered industry-leading results, and made substantive progress on our integration plan following the close of the Shaw Transaction. Building on this momentum, and as part of our goal to be number one across our core businesses, our five objectives for 2024 remain as follows, with updates to reflect how we will advance them:

BUILD THE BIGGEST AND BEST NETWORKS IN THE COUNTRY

Our networks power Canada's economy and our business is built on providing our customers with always-on coverage everywhere. We are focused on connecting more Canadians nationwide to Canada's largest and best 5G network and the country's only coast-to-coast Internet network, and using our network investments to deliver reliable connectivity and build a resilient Canada.

DELIVER EASY TO USE, RELIABLE PRODUCTS AND SERVICES

We believe delivering easy to use, reliable products and services is key to our growth strategy. This means designing products that are simple, creating plans that are easy to understand, and offering even more value to our customers with innovative products and reliable services, all throughout the entire product lifecycle.

BE THE FIRST CHOICE FOR CANADIANS

To be Canadians' first choice, we must deliver the best experiences and serve them how and where they want. We are investing to grow our customer base and audiences by continuously improving the customer experience, including moving to digital-first and delivering the best content and experiences.

BE A STRONG NATIONAL COMPANY INVESTING IN CANADA

Every year, we reinvest the vast majority of our profits back into our country to connect as many Canadians as possible, including those in rural, remote, and Indigenous communities. We also partner with local community groups and support emergency responders to help build stronger communities and create a better future for young Canadians, the future leaders of our country.

BE THE GROWTH LEADER IN OUR INDUSTRY

To be number one, we are focused on operating efficiently and executing with excellence to accelerate revenue growth and translate it into strong margins, profit, free cash flow, return on assets, and returns to shareholders.

OUR APPROACH TO CREATING VALUE

We aim to connect Canadians where and when they want through our ambition to be number one in our core businesses. We are dedicated to advancing our purpose and ambition through our five corporate priorities, grounded by our foundational practices that are embedded in how we do business.

We understand that sustainability and social impact are an important part of how we create value for ourselves and our stakeholders. In 2023, we updated our materiality assessment process by conducting an extensive stakeholder engagement exercise to identify our material sustainability and social impact topics and assess their impact to our business. Further detail on our stakeholder engagement and materiality assessment approach can be found in "Sustainability and Social Impact". By aligning our material sustainability and social impact topics with our corporate priorities as below, we can define how we create impact as an organization, including in the context of global sustainability commitments and goals. We will leverage our value creation model as a framework for how we assess, manage, and communicate corporate impact and performance.

CORPORATE STRATEGY

Purpose	Connect Canadians when and where they want				
Ambition	Be number one in our core businesses				
Foundational practices	We are committed to do our best for Canadians with honesty, integrity, and transparency, through:				
	Business ethics and open Internet access	Risk management	Leadership and accountability	Stakeholder engagement	Transparent reporting

VALUE CREATION

Corporate priorities	Build the biggest and best networks in the country	Deliver easy to use, reliable products and services	Be the first choice for Canadians	Be a strong national company investing in Canada	Be the growth leader in our industry
Material sustainability and social impact topics	Network leadership and resilience	Social impacts of products and services Product end-of-life management	Customer relationships Data privacy and security	Indigenous, community relations, and socio-economic investment Talent attraction and development Diversity, equity, inclusion, and belonging (DEIB)	Climate change mitigation and adaptation Safety, well-being, and labour relations

FINANCIAL AND OPERATING GUIDANCE

We provide consolidated annual guidance ranges for selected financial metrics on a basis consistent with the annual plans approved by the Board.

2023 ACHIEVEMENTS AGAINST GUIDANCE

The following table outlines the updated guidance ranges that we provided in July 2023 and our actual results and achievements for the selected full-year 2023 financial metrics.

(In millions of dollars, except percentages)	2022 Actual	2023 Guidance Ranges		2023 Actual	Achievement
Consolidated Guidance ¹					
Total service revenue	13,305	Increase of 26%	to increase of 30%	16,845	27% ✓
Adjusted EBITDA	6,393	Increase of 33%	to increase of 36%	8,581	34% ✓
Capital expenditures ²	3,075	3,700	to 3,900	3,934	n/m ✓✓
Free cash flow	1,773	2,200	to 2,500	2,414	n/m ✓

Achieved ✓

Exceeded ✓✓

n/m - not meaningful

¹ The table outlines guidance ranges for selected full-year 2023 consolidated financial metrics provided in our February 2, 2023 earnings release and subsequently updated on July 26, 2023. Guidance ranges presented as percentages reflect percentage increases over full-year 2022 results.

² Includes additions to property, plant and equipment net of proceeds on disposition, but does not include expenditures for spectrum licences, additions to right-of-use assets, or assets acquired through business combinations.

2024 FULL-YEAR CONSOLIDATED GUIDANCE

For the full-year 2024, we expect growth in total service revenue and adjusted EBITDA will drive higher free cash flow. In 2024, we expect to have the financial flexibility to maintain our network advantages and to continue to return cash to shareholders.

(In millions of dollars, except percentages)	2023	2024	
	Actual	Guidance Ranges ¹	
Total service revenue	16,845	Increase of 8%	to increase of 10%
Adjusted EBITDA	8,581	Increase of 12%	to increase of 15%
Capital expenditures ²	3,934	3,800 to 4,000	
Free cash flow	2,414	2,900 to 3,100	

¹ Guidance ranges presented as percentages reflect percentage increases over full-year 2023 results.

² Includes additions to property, plant and equipment net of proceeds on disposition, but does not include expenditures for spectrum licences, additions to right-of-use assets, or assets acquired through business combinations.

The above table outlines guidance ranges for selected full-year 2024 consolidated financial metrics. These ranges take into consideration our current outlook and our 2023 results. The purpose of the financial outlook is to assist investors, shareholders, and others in understanding certain financial metrics relating to expected 2024 financial results for evaluating the performance of our business. This information may not be appropriate for other purposes. Information about our guidance, including the various assumptions underlying it, is forward-looking and should be read in conjunction with "About Forward-Looking Information", "Risks and Uncertainties Affecting our Business", the material assumptions listed below under "Key underlying assumptions", and the related disclosure and information about various economic, competitive, and regulatory assumptions, factors, and risks that may cause our actual future financial and operating results to differ from what we currently expect.

We provide annual guidance ranges on a consolidated full-year basis that are consistent with annual full-year Board-approved plans. Any updates to our full-year financial guidance over the course of the year would only be made to the consolidated guidance ranges that appear above.

Key underlying assumptions

Our 2024 guidance ranges presented in "2024 Full-Year Consolidated Guidance" are based on many assumptions including, but not limited to, the following material assumptions for the full-year 2024:

- continued competitive intensity in all segments in which we operate consistent with levels experienced in 2023;
- no significant additional legal or regulatory developments, other shifts in economic conditions, or macro changes in the competitive environment affecting our business activities;
- Wireless customers continue to adopt, and upgrade to, higher-value smartphones at similar rates in 2024 compared to 2023;
- overall wireless market penetration in Canada grows in 2024 at a similar rate as in 2023;
- continued subscriber growth in retail Internet;
- declining Television and Satellite subscribers, including the impact of customers migrating to Ignite TV from our legacy Television product, as subscription streaming services and other over-the-top providers continue to grow in popularity;
- in Media, continued growth in sports and relative stability in other traditional media businesses;
- no significant sports-related work stoppages or cancellations will occur;
- with respect to capital expenditures:
 - we continue to invest to ensure we have competitive wireless and cable networks through (i) expanding our 5G wireless network and (ii) upgrading our hybrid fibre-coaxial network to lower the number of homes passed per node, utilize the latest technologies, and deliver an even more reliable customer experience; and
 - we continue to make expenditures related to our Home roadmap in 2024 and we make progress on our service footprint expansion projects;
- a substantial portion of our 2024 US dollar-denominated expenditures is hedged at an average exchange rate of \$1.33/US\$;
- key interest rates remain relatively stable throughout 2024; and
- we retain our investment-grade credit ratings.

Capability to Deliver Results

LEADING NETWORKS

WIRELESS

Rogers has one of the most extensive and advanced mobile broadband wireless networks in Canada, which:

- is the only national network in Canada fully owned by a single operator;
- was the first 5G network in Canada, reaching over 85% of the Canadian population in over 2,200 communities as at December 31, 2023 on our 5G/5G+ network alone;
- was the first LTE high-speed network in Canada, reaching 96% of the Canadian population as at December 31, 2023 on our LTE network alone;
- is supported by voice and data roaming agreements with domestic and international carriers in more than 200 destinations, including LTE and a growing number of 5G roaming operators;
- includes network sharing arrangements with two wireless operators that operate in urban and rural parts of Canada; and
- will bring satellite-to-phone coverage nationwide to ensure Canadians can stay connected in areas beyond the limits of traditional wireless networks through our partnerships with SpaceX and Lynk Global.

We are continuously enhancing our IP service infrastructure for all our wireless services. Advances in technology have transformed the ways in which our customers interact and use the variety of tools available to them in their personal and professional lives. Technology has also changed the way businesses operate.

Our 5G network currently uses a combination of the 600 MHz, 1900 MHz, 2500 MHz, 3500 MHz, and AWS spectrum bands, and is also aggregated with our LTE spectrum bands. In 2023, we secured additional mid-band 3800 MHz spectrum licences in Canada's third 5G spectrum auction that will complement our existing 3500 MHz 5G spectrum licences and our other low-and

mid-band spectrum licence holdings. These licences will allow us to provide Canadians with even more coverage, speed, and capacity on our 5G/5G+ network. We have deployed dynamic spectrum sharing, which allows our existing spectrum supporting 4G to also be used for 5G/5G+ networks.

In late 2023, we also introduced 5G services in the busiest areas of the TTC (including all subway stations and a number of tunnel segments).

A number of future investments will be required to successfully operate and maintain our 5G network, including, but not limited to:

- refarming spectrum currently used for 2G and 3G to LTE and 5G/5G+;
- acquiring additional radio spectrum through government auctions and private sector transactions;
- densifying and expanding our wireless network with additional macro cells, small cells, and in-building systems; and
- purchasing incremental 5G-ready radio network equipment with lower unit and operational costs, and the ability to aggregate more radio carriers and achieve greater spectral efficiency.

Significant spectrum position

Our wireless services are supported by our significant wireless spectrum licence holdings in low-band, mid-band, and high-band frequency ranges. As part of our network strategy, we expect to continue making significant capital investments in spectrum to:

- support the continual rapid growth in usage of broadband wireless data services;
- support the expansion and maintenance of our 5G and 5G+ networks; and
- introduce new innovative network-enabled features and functionality.

Our spectrum holdings as at December 31, 2023 include:

Type of spectrum	Rogers licences	Who the licences support
600 MHz	20 to 40 MHz across Canada, covering 100% of the Canadian population.	4G / 4.5G LTE, and 5G / 5G+ subscribers.
700 MHz	24 MHz in Canada's major geographic markets, covering 99.7% of the Canadian population.	4G / 4.5G LTE subscribers; future 5G / 5G+ subscribers.
850 MHz	25 MHz across Canada.	2G GSM, 3G HSPA, 4G / 4.5G LTE subscribers; future 5G / 5G+ subscribers.
1900 MHz	60 MHz in all areas of Canada except 40 MHz in northern Quebec, 50 MHz in southern Ontario, and 40 MHz in the Yukon, Northwest Territories, and Nunavut.	4G / 4.5G LTE, and 5G / 5G+ subscribers.
AWS 1700/2100 MHz	40 MHz in British Columbia and Alberta, 30 MHz in southern Ontario, an additional 10 MHz in the Greater Toronto Area, and 20 MHz in the rest of Canada.	4G / 4.5G LTE, and 5G / 5G+ subscribers.
2500 MHz	40 MHz FDD across the majority of Canada except 20 MHz in parts of Quebec and no holdings in Nunavut and the Northwest Territories. Rogers also holds an additional 20 MHz TDD in key population areas in Quebec, Ontario, and British Columbia, and an additional 10 MHz in parts of rural British Columbia.	4G / 4.5G LTE, and 5G / 5G+ subscribers.
3500 MHz	Between 60 MHz and 80 MHz in large population centres, except in Edmonton where Rogers holds 30 MHz. Rogers holds 20 MHz to 90 MHz in rural areas.	Mobile 5G / 5G+ subscribers; fixed wireless subscribers

In May 2024, we expect to receive the 3800 MHz spectrum licences we secured at auction in 2023. These licences will support mobile 5G/5G+ subscribers and fixed wireless subscribers, similar to the 3500 MHz spectrum licences above.

We also have access to additional spectrum through the following network sharing agreements:

Type of spectrum	Type of network venture	Who it supports
2300 MHz	Orion Wireless Partnership (Orion) is a joint operation with Bell in which Rogers holds a 50% interest. Orion holds licences for 30 MHz of FDD 2300 MHz spectrum (of which 20 MHz is usable), primarily in eastern Canada, including certain population centres in southern and eastern Ontario, southern Quebec, and smaller holdings in New Brunswick, Manitoba, Alberta, and British Columbia. The Orion fixed wireless LTE national network utilizes the jointly held 2300 MHz bands.	4G subscribers.
Various	Two network-sharing arrangements to enhance coverage and network capabilities: <ul style="list-style-type: none"> with Bell MTS, which covers 98% of the population across Manitoba; and with Videotron to provide HSPA and LTE services across the province of Quebec and Ottawa. 	2G GSM, 3.5G / 4G HSPA+, 4G LTE, 5G subscribers. 4G LTE subscribers.

CABLE

Our expansive fibre and hybrid fibre-coaxial (HFC) cable network delivers services to homes and businesses across Canada. This transcontinental, facilities-based fibre-optic network with 114,000 kilometres of fibre optic cable is also used to service business customers, including government and other telecommunications service providers outside of our home markets. We also use our extensive fibre network for backhaul for wireless cell site traffic. In Canada, the network extends coast-to-coast and includes fibre, both access and metro, and long haul, optical transmission systems

and IP routers in hubs and core sites. The network also extends to the US from Vancouver south to Seattle; from the Manitoba-Minnesota border through Minneapolis, Milwaukee, Chicago, Detroit, and Sarnia; from Toronto through Buffalo; and from Montreal through Albany to New York City and Ashburn, allowing us to connect Canada's largest markets, while also reaching key US markets for the exchange of data, video, and voice traffic.

Our network is engineered for performance and redundancy and to allow for the simultaneous delivery of video, voice, and Internet. Diverse fibre paths that interconnect hubs provide redundancy to minimize disruptions that can result from fibre cuts and other events.

Homes and commercial buildings are connected to the core network through our HFC and DOCSIS or ten gigabit symmetrical passive optical network (XGS-PON) access networks. We connect the HFC and PON nodes to the core network using fibre optic cable and from the home to the node using coaxial cable or fibre. Using 1.2GHz, 1 GHz, 860 MHz, and 750 MHz of cable spectrum for our HFC networks in Western Canada, Ontario, and Atlantic Canada, we deliver video, voice, and broadband services to our customers.

We continually invest in our network to augment capacity, enhance performance and resilience, reduce operating costs, and introduce new features and functionality. Our investments are focused on:

- modernizing our HFC network to 1.2 GHz and subsequently 1.8 GHz in preparation for DOCSIS 4.0 (as the technology becomes generally available), which will:
 - expand cable spectrum capacity; and
 - enhance network performance, quality, and resilience with digital fibre optics and new higher radio frequency amplifiers;
- HFC node segmentation to reduce the number of homes passed per HFC node, thereby increasing the bandwidth and capacity per subscriber;
- increasing capacity per subscriber by enabling additional DOCSIS 3.1 downstream and upstream channels and preparing for the deployment of DOCSIS 4.0 that will support symmetrical Gbps speeds and lower latency;
- expanding our fibre network connecting more homes, multiple dwelling unit buildings, and business premises directly to fibre and XGS-PON technology; and
- enhancing resilience by separating the wireless and wireline IP core networks, adding equipment redundancy, and adding additional fibre paths to protect against simultaneous outages.

Fixed wireless access services and expanding our cable footprint is a key priority for connecting all areas of Canada, including rural and underserved areas. We are actively investing in the expansion of our network in both Wireless and Cable to leverage what's needed to offer fixed wireless Internet access. We are investing in the next generation of broadband wireless data networks, such as 5G/5G+ technologies, to support the growing data demand and new products and applications. This requires a strong network, capable of supporting both wireline and wireless data at low latencies to ensure new products and applications operate as intended.

We continue to invest in and improve our cable network services; for example, with technology to support multi-gigabit Internet speeds, Ignite TV, Rogers 4K TV, and a significant commitment to live broadcasting in 4K, including regular season Toronto Blue Jays home games and numerous NHL and NBA games.

Voice-over-cable telephony services are also served using the DOCSIS network. Our offerings ensure a high quality of service by including geographic redundancy and network backup powering. Our phone service includes a rich set of features, such as three-way calling, and advanced voicemail features that allow customers to be notified of, and listen to, their home voicemail on their wireless phone or over the Internet.

We own and operate some of the most advanced networks and data centres in Canada. Our data centres provide guaranteed uptime and expertise in collocation, cloud, and managed services solutions. We own and operate twenty state-of-the-art, highly reliable, certified data centres across Canada, including:

- Canada's first Tier III Design and Construction certified multi-tenant facility in Toronto;
- two Tier III certified data centres in Alberta, including Alberta's first Tier III certified data centre; and
- a third Tier III certified data centre in Ottawa.

We leverage our national fibre, cable, and wireless networks and data centre infrastructure to enable businesses to deliver greater value to their customers through proactive network monitoring and problem resolution with enterprise-level reliability, security, and performance. Our primary and secondary network operation centres proactively monitor Rogers' networks to mitigate the risk of service interruptions and to allow for rapid responses to any outages.

CUSTOMER EXPERIENCE

We are committed to providing our customers with the best experience possible. To do this, we have invested in several areas to make it easier and more convenient for customers to interact with us, such as:

- live customer support handled by customer solution specialists located entirely within Canada;
- 24/7 customer support handled by virtual assistant tools that provide customers the option for live chat or scheduled callbacks;
- an innovative Integrated Voice Response (IVR) system that can take calls in English, French, Mandarin, and Cantonese;
- voice authentication technology across all of our contact centres that automatically identifies our registered customers by their voice, increasing security and protecting customers from potential fraud;
- self-serve options, including:
 - the ability for Fido and Rogers customers to complete price plan changes, hardware upgrades, and other account updates online;
 - the ability for customers to install their Internet, TV, home phone, smart home monitoring, and Ignite Streaming products at their convenience, without the need for a technician visiting their residence;
 - *Rogers EnRoute*, a tool that gives customers the ability to track on their phone when a technician will arrive for an installation or service call; and
 - the ability for chatr customers to use SMS to easily review account information, balance details, and top up their account;
- the "We Speak Your Language" program, allowing us to serve customers in over 100 languages at our retail stores;
- the Rogers Assist App, which allows customers to act on behalf of their loved ones, friends, or another customer expressing an ongoing concern with their service or an issue they have been unable to resolve, by submitting issues directly to a specialized Rogers Assist team;
- customer care available over Facebook Messenger, X (formerly Twitter), Instagram, and online chat through our websites;
- Rogers Infinite unlimited data plans with no overage charges;

- 24-month, \$0 down, interest-free wireless device financing on Rogers Infinite plans and through our Fido Payment Program;
- Ignite HomeConnect for all Ignite TV customers, giving them ultimate control over their WiFi experience;
- Family Data Manager, a data manager tool, and Data Top Ups, both of which allow Wireless customers to manage and customize their data usage in real-time through MyRogers;
- Fido 5 Extra Hours, which grant Fido customers an additional five hours of data, per billing cycle, at no extra charge;
- a simple online bill, making it easier for customers to read and understand their monthly charges;
- Roam Like Home and Fido Roam, worry-free wireless roaming allowing Canadians to use their wireless plan like they do at home when traveling to included destinations;
- *DAYPASS*, a flexible daily payment option for chatr customers;
- Top Up as a Guest, which allows chatr customers to top up an account without signing in;
- *Advantage Mobility* and *Advantage Security*, business-grade solutions offered by Rogers for Business to support small- and medium-sized Canadian enterprises with reliable connectivity and network security;
- a *Premium Device Protection* program, including AppleCare services for Rogers and Fido customers, offering customers more protection and choice;
- Express Pickup, a free service that allows customers to purchase a new device online or through a customer care agent and pick up it up the same day in-store;
- an online appointment booking tool, allowing customers to conveniently schedule an appointment to speak to a Rogers expert at a specific store and time;
- 36-month and 48-month device financing through the Rogers Mastercard's equal payment plan, allowing Rogers customers to finance devices at 0% interest; and
- 5G connectivity in the TTC subway system to cover every station (and select tunnels), so that our customers can continue to stream, make plans, share location, and more while on the go.

POWERFUL BRANDS

The Rogers brand has strong national recognition through our:

- established networks;
- extensive distribution;
- recognizable media content and programming;
- advertising;
- event and venue sponsorships;
- community investment, including Ted Rogers Scholarships, Ted Rogers Community Grants, and *Jays Care Foundation*; and
- naming rights to some of Canada's landmark buildings, stadiums, and arenas.

We also own or utilize some of Canada's most recognized brands, including:

- the wireless brands of Rogers, Fido, and chatr;
- the Rogers residential brand;
- 23 TV stations and specialty channels, including *Sportsnet*, OMNI, Citytv, FX (Canada), and FXX (Canada);
- 52 radio stations, including 98.1 CHFI, CityNews 680, Sportsnet 590 The FAN, KiSS, JACK, and SONiC;
- major league sports teams, including the Toronto Blue Jays, and teams owned by MLSE, such as the Toronto Maple Leafs, the Toronto Raptors, Toronto FC, and the Toronto Argonauts;

- an exclusive national 12-year agreement with the NHL, which runs through the 2025-2026 season, as well as regional agreements, that allows us to deliver coverage of professional hockey in Canada; and
- Today's Shopping Choice, a premium online and TV shopping retailer.

WIDESPREAD PRODUCT DISTRIBUTION

WIRELESS

We have an extensive national distribution network and offer our wireless products nationally through multiple channels, including:

- company-owned Rogers, Fido, and chatr retail stores;
- customer self-serve using rogers.com, fido.ca, chatwireless.com, and e-commerce sites;
- an extensive independent dealer network;
- major retail chains and convenience stores;
- other distribution channels, such as *WOW! mobile boutique*, as well as Wireless Wave and TBooth Wireless through our ownership interest in Glentel;
- our contact centres; and
- outbound telemarketing.

CABLE

We distribute our residential cable products using various channels, including:

- company-owned Rogers retail stores;
- customer self-serve using rogers.com;
- our Canada-based contact centres, outbound telemarketing, and door-to-door agents; and
- major retail chains.

Our sales team and third-party retailers sell services to the business, public sector, and carrier wholesale markets. An extensive network of third-party channel distributors deals with IT integrators, consultants, local service providers, and other indirect sales relationships. This diverse approach gives greater breadth of coverage and allows for strong sales growth for next-generation services.

FIRST-CLASS MEDIA CONTENT

We deliver highly sought-after sports content enhanced by the following initiatives:

- an exclusive national 12-year agreement with the NHL, which runs through the 2025-2026 season, as well as regional agreements, that allows us to deliver coverage of professional hockey in Canada across television, smartphones, tablets, and other streaming devices;
- broadcasting and distribution rights of the Toronto Blue Jays in Canada through our ownership of the team;
- Sportsnet+, an OTT sports service, offering 24/7 access to Sportsnet's TV content;
- the MLB Network, a 24-hour network dedicated to baseball, brought to Canada on Rogers television services;
- an 11-year broadcasting agreement with the NBA, which runs through the 2025-2026 season, that allows us to deliver coverage of professional basketball in Canada across television, smartphones, tablets, and other streaming devices;

- a 10-year, multi-platform agreement that runs through August 2024, which makes Rogers the exclusive wholesaler and Canadian distributor of World Wrestling Entertainment's (WWE) flagship programming; and
- a long-term broadcast agreement with Ultimate Fighting Championship (UFC) for media rights that allows Sportsnet to stream live UFC events starting in 2024.

ENGAGED PEOPLE

For our team of approximately 26,000 employees, we strive to create a great workplace, focusing on all aspects of the employee experience, which include:

- engaging employees and building high-performing teams through various initiatives;
- aiming to attract and retain top talent through effective training and development, performance-driven employee recognition programs, and career progression programs for front-line employees;
- maintaining our commitment to diversity and inclusion, including through the launch of new, mandatory training for all employees on accessibility and Indigenous cultural awareness; and
- providing a safe, collaborative, and agile workplace that provides employees the tools and training to be successful.

FINANCIAL STRENGTH AND FLEXIBILITY

We have an investment-grade balance sheet and substantial available liquidity of \$5.9 billion as at December 31, 2023. Our capital resources consist primarily of cash balances, cash provided by operating activities, available lines of credit, funds available under our receivables securitization program, issuances of US dollar-denominated commercial paper (US CP) under our US CP program, and long-term debt.

The following information is forward-looking and should be read in conjunction with "About Forward-Looking Information", "Financial and Operating Guidance", "Risks and Uncertainties Affecting our Business", and our other disclosures about various economic, competitive, and regulatory assumptions, factors, and risks that could cause our actual future financial and operating results to differ from those currently expected.

The Shaw Transaction has had, and will continue to have, a significant impact on our capital structure as we:

- issued US\$7.05 billion and \$4.25 billion of debt in March 2022 to partially fund the cash consideration of the Shaw Transaction;
- subsequently drew \$6 billion on our term loan facility in April 2023 to fund the balance of the required cash consideration; and
- assumed \$4.55 billion of long-term debt from Shaw, \$1 billion of which has subsequently been repaid at maturity.

Despite the significant impact from the Shaw Transaction, we expect we will have sufficient capital resources to satisfy our anticipated cash funding requirements in 2024, funding of dividends on our common shares, repayment of maturing short-term borrowings and long-term debt, and other financing and investing activities. This takes into account our opening cash balance, cash provided by operating activities, and funds available to us under credit facilities, our receivables securitization program, our US CP program, and other bank facilities or debt issued. As at December 31, 2023, there were no significant restrictions on the flow of funds between RCI and its subsidiary companies.

In order to meet our stated objective of returning our debt leverage ratio to approximately 3.5 within 36 months of closing the Shaw Transaction, we intend to manage our debt leverage ratio through combined operational synergies, organic growth in adjusted EBITDA, proceeds from asset sales, and debt repayment, as applicable.

In December 2023, we sold our investment interests in Cogeco Inc. and Cogeco Communications Inc. for \$829 million to Caisse de dépôt et placement du Québec in a private transaction. In addition, we have commenced a process to sell a significant value of non-core assets, primarily consisting of surplus real estate.

We believe we can satisfy foreseeable additional funding requirements through cash provided by operating activities and additional financing, which, depending on market conditions, could include restructuring our existing bank credit and letter of credit facilities, entering into new bank credit facilities, issuing long-term or short-term debt, amending the terms of our receivables securitization or US CP programs, or issuing equity. We may also opportunistically refinance a portion of existing debt depending on market conditions and other factors. There is no assurance, however, that these financing initiatives will or can be done as they become necessary.

WIDESPREAD SHAREHOLDER BASE AND DIVIDENDS

RCI's Class B Non-Voting Shares are widely held and actively trade on the TSX and the NYSE with a combined average daily trading volume of approximately 1.7 million shares in 2023. In addition, RCI's Class A Voting common shares (Class A Shares) trade on the TSX. At the discretion of the Board, we pay an equal dividend on both classes of shares. In 2023, each share paid an annualized dividend of \$2.00.

During 2023, our dividend reinvestment plan (DRIP) was amended to permit, at the Board's discretion, a small discount from the five-day volume-weighted average market price when shares are issued from treasury under the DRIP. Previously, all Class B Non-Voting Shares received by participants under the DRIP were purchased in the Canadian open market with no discount.

2023 Financial Results

See "Accounting Policies" in this MD&A and the notes to our 2023 Audited Consolidated Financial Statements for important accounting policies and estimates as they relate to the following discussion.

We use several key performance indicators to measure our performance against our strategy and the results of our peers and

competitors. Many of these are not defined terms under IFRS and should not be considered alternative measures to net income or any other financial measure of performance under IFRS. See "Key Performance Indicators" and "Non-GAAP and Other Financial Measures" for more information.

SUMMARY OF CONSOLIDATED RESULTS

(In millions of dollars, except margins and per share amounts)	Years ended December 31		
	2023	2022	% Chg
Revenue			
Wireless	10,222	9,197	11
Cable	7,005	4,071	72
Media	2,335	2,277	3
Corporate items and intercompany eliminations	(254)	(149)	70
Revenue	19,308	15,396	25
Total service revenue ¹	16,845	13,305	27
Adjusted EBITDA			
Wireless	4,986	4,469	12
Cable	3,774	2,058	83
Media	77	69	12
Corporate items and intercompany eliminations	(256)	(203)	26
Adjusted EBITDA	8,581	6,393	34
Adjusted EBITDA margin	44.4%	41.5%	2.9 pts
Net income	849	1,680	(49)
Basic earnings per share	\$ 1.62	\$ 3.33	(51)
Diluted earnings per share	\$ 1.62	\$ 3.32	(51)
Adjusted net income	2,406	1,915	26
Adjusted basic earnings per share	\$ 4.60	\$ 3.79	21
Adjusted diluted earnings per share ²	\$ 4.59	\$ 3.78	21
Capital expenditures	3,934	3,075	28
Cash provided by operating activities	5,221	4,493	16
Free cash flow	2,414	1,773	36

¹ As defined. See "Key Performance Indicators".

² Adjusted diluted earnings per share is a non-GAAP ratio. Adjusted net income is a non-GAAP financial measure and is a component of adjusted diluted earnings per share. This is not a standardized financial measure under IFRS and might not be comparable to similar financial measures disclosed by other companies. See "Non-GAAP and Other Financial Measures" for more information about this measure.

KEY CHANGES IN FINANCIAL RESULTS YEAR OVER YEAR

REVENUE

Wireless service revenue increased this year, primarily as a result of the cumulative impact of growth in our mobile phone subscriber base, revenue from Shaw Mobile subscribers acquired through the Shaw Transaction, and the impact of the July 2022 network outage-related credits. Wireless equipment revenue increased this year as a result of an increase in new subscribers purchasing devices and a continued shift in the product mix towards higher-value devices.

Cable revenue increased this year, primarily as a result of our acquisition of Shaw as well as the impact of the July 2022 network outage-related credits.

Media revenue increased this year, primarily as a result of higher sports-related revenue, including at the *Toronto Blue Jays*.

ADJUSTED EBITDA

Consolidated adjusted EBITDA increased this year, primarily as a result of improving synergies and efficiencies, and the network outage-related credits issued to customers last year.

Wireless adjusted EBITDA increased this year, primarily due to the flow-through impact of higher revenue as discussed above. This gave rise to a Wireless adjusted EBITDA service margin of 63.9%.

Cable adjusted EBITDA increased this year, due to the flow-through impact of higher revenue as discussed above and the achievement of cost synergies associated with integration activities, which led to a Cable adjusted EBITDA margin of 53.9%.

Media adjusted EBITDA increased this year, primarily due to higher revenue as discussed above, partially offset by higher Toronto Blue Jays player payroll and other operating costs.

NET INCOME AND ADJUSTED NET INCOME

Net income decreased this year, primarily as a result of higher depreciation and amortization associated with assets acquired through the Shaw Transaction; higher restructuring, acquisition and other costs, primarily associated with Shaw acquisition and integration-related activities; and higher finance costs, partially offset by higher adjusted EBITDA. Adjusted net income increased this year, primarily as a result of higher adjusted EBITDA.

WIRELESS

ROGERS IS CANADA'S LARGEST PROVIDER OF WIRELESS COMMUNICATIONS SERVICES

As at December 31, 2023, we had:

- approximately 11.6 million wireless mobile phone subscribers; and
- approximately one-third subscriber and revenue share of the Canadian wireless market.

WIRELESS FINANCIAL RESULTS

(In millions of dollars, except margins)	Years ended December 31		
	2023	2022	% Chg
Revenue			
Service revenue	7,802	7,131	9
Equipment revenue	2,420	2,066	17
Revenue	10,222	9,197	11
Operating expenses			
Cost of equipment	2,396	2,115	13
Other operating expenses	2,840	2,613	9
Operating expenses	5,236	4,728	11
Adjusted EBITDA	4,986	4,469	12
Adjusted EBITDA margin ¹	63.9%	62.7%	1.2 pts
Capital expenditures	1,625	1,758	(8)

¹ Calculated using service revenue.

WIRELESS SUBSCRIBER RESULTS ¹

(In thousands, except churn and mobile phone ARPU)	Years ended December 31		
	2023	2022	Chg
Postpaid mobile phone ^{2,3}			
Gross additions	2,007	1,523	484
Net additions	674	545	129
Total postpaid mobile phone subscribers ⁴	10,498	9,392	1,106
Churn (monthly)	1.11%	0.90%	0.21 pts
Prepaid mobile phone			
Gross additions	867	796	71
Net additions	(50)	89	(139)
Total prepaid mobile phone subscribers ^{4,5}	1,111	1,255	(144)
Churn (monthly)	6.12%	4.90%	1.22 pts
Mobile phone ARPU (monthly)	\$ 57.86	\$ 57.89	(\$ 0.03)

¹ Subscriber counts and churn are key performance indicators. See "Key Performance Indicators".

² On April 3, 2023, we acquired approximately 501,000 postpaid mobile phone subscribers as a result of our acquisition of Shaw, which are not included in net additions, but do appear in the ending total balances for December 31, 2023. As at December 31, 2023, we had completed migrating these subscribers to the Rogers network; there were 18,000 deactivated subscribers that could not be migrated and were therefore removed from our postpaid mobile phone subscriber base effective December 31, 2023.

³ Effective April 1, 2023, we adjusted our postpaid mobile phone subscriber base to remove 51,000 subscribers relating to a wholesale account.

⁴ As at end of period.

⁵ Effective December 1, 2023, we adjusted our Wireless prepaid subscriber base to remove 94,000 subscribers as a result of a change to our deactivation policy from 90 days to 30 days.

REVENUE

Our revenue depends on the size of our subscriber base, the revenue per user, the revenue from the sale of wireless devices, and other equipment revenue.

Service revenue

Service revenue includes revenue derived from voice and data services from:

- postpaid and prepaid monthly fees;
- roaming and other usage-based charges; and
- certain other fees and charges.

The 9% increase in service revenue this year was primarily a result of:

- the cumulative impact of growth in our mobile phone subscriber base over the past year;
- the effect of the July 2022 network outage-related credits; and
- the impact of the Shaw Mobile subscribers acquired through the Shaw Transaction in April 2023.

The continued significant postpaid gross and net additions this year were a result of sales execution in a growing Canadian market.

Equipment revenue

Equipment revenue includes revenue from sales of mobile devices to subscribers through fulfillment by Wireless' customer service groups, websites, telesales, corporate stores, and independent dealers, agents, and retailers.

The 17% increase in equipment revenue this year was a result of:

- an increase in new subscribers purchasing devices; and
- a continued shift in the product mix towards higher-value devices; partially offset by
- lower device upgrades by existing customers.

OPERATING EXPENSES

We record operating expenses in two categories:

- the cost of wireless devices and equipment; and
- all other expenses involved in day-to-day operations, to service existing subscriber relationships, and to attract new subscribers.

The 13% increase in the cost of equipment this year was a result of the equipment revenue changes discussed above.

The 9% increase in other operating expenses this year was primarily a result of:

- higher costs associated with the increased revenue and subscriber additions, which included increased roaming and commissions and costs associated with our expanded network; and
- investments made in customer service.

ADJUSTED EBITDA

The 12% increase in adjusted EBITDA this year was a result of the revenue and expense changes discussed above.

CABLE

ONE OF CANADA'S LEADING PROVIDERS OF HIGH-SPEED INTERNET, CABLE TELEVISION, AND PHONE SERVICES

As at December 31, 2023, we had:

- approximately 4.2 million retail Internet subscribers;
- approximately 2.8 million Video subscribers; and
- a network passing approximately 9.9 million homes across Canada.

CABLE FINANCIAL RESULTS

(In millions of dollars, except margins)	Years ended December 31		
	2023	2022	% Chg
Revenue			
Service revenue	6,962	4,046	72
Equipment revenue	43	25	72
Revenue	7,005	4,071	72
Operating expenses	3,231	2,013	61
Adjusted EBITDA	3,774	2,058	83
Adjusted EBITDA margin	53.9%	50.6%	3.3 pts
Capital expenditures	1,865	1,019	83

CABLE SUBSCRIBER RESULTS ¹

(In thousands, except ARPA and penetration)	Years ended December 31		
	2023	2022	Chg
Homes passed ^{2,3,4}	9,943	4,804	5,139
Customer relationships			
Net additions (losses)	(2)	6	(8)
Total customer relationships ^{2,3,4}	4,636	2,590	2,046
ARPA (monthly)	\$142.58	\$130.12	\$ 12.46
Penetration ²	46.6%	53.9%	(7.3 pts)
Retail Internet			
Net additions ⁵	77	52	25
Total retail Internet subscribers ^{2,3,4}	4,162	2,284	1,878
Video			
Net additions	15	32	(17)
Total Video subscribers ^{2,3,4}	2,751	1,525	1,226
Smart Home Monitoring			
Net losses	(12)	(12)	-
Total Smart Home Monitoring subscribers ²	89	101	(12)
Home Phone			
Net losses	(116)	(76)	(40)
Total Home Phone subscribers ^{2,3,4}	1,629	836	793

¹ Subscriber results are key performance indicators. See "Key Performance Indicators".

² As at end of period.

³ On April 3, 2023, we acquired approximately 1,961,000 retail Internet subscribers, 1,203,000 Video subscribers, 890,000 Home Phone subscribers, 4,935,000 homes passed, and 2,191,000 customer relationships as a result of the Shaw Transaction. The acquired Satellite subscribers are not included in our reported subscriber, homes passed, or customer relationship metrics.

⁴ On November 1, 2023, we acquired approximately 22,000 retail internet subscribers, 8,000 Video subscribers, 19,000 Home Phone subscribers, 8,000 homes passed, and 30,000 customer relationships as a result of our acquisition of Comwave. None of these subscribers are included in net additions.

⁵ Effective October 1, 2023, and on a prospective basis, we reduced our retail Internet subscriber base by 182,000 and our customer relationships by 173,000 to remove Fido Internet subscribers as we stopped selling new plans for this service as of that date. Given this, we believe this adjustment more meaningfully reflects the underlying organic subscriber performance of our retail Internet business.

REVENUE

Service revenue

Service revenue includes revenue derived from:

- monthly subscription and additional use service revenue from residential, small business, enterprise, public sector, and wholesale Internet access subscribers;
- monthly service revenue from our smart home monitoring products;
- modem, television set-top box, and other equipment rental fees;
- IPTV, digital cable, and direct-to-home satellite services, such as:
 - basic service fees;
 - tier service fees;
 - access fees for use of channel capacity by third parties; and
 - premium and specialty service subscription fees, including pay-per-view service fees and video-on-demand service fees;
- monthly service fees;
- calling features, such as voicemail, call waiting, and caller ID; and
- long distance calling.

The 72% increase in Cable service revenue this year was primarily a result of:

- revenue related to our acquisition of Shaw, which contributed approximately \$3 billion since closing;
- an increase in our retail Internet subscriber base and the movement of retail Internet customers to higher speed tiers in our Ignite Internet offerings; and
- the effect of the July 2022 network outage-related credits; partially offset by:
 - continued increased competitive promotional activity; and
 - declines in our Home Phone, Smart Home Monitoring, and Satellite subscriber bases.

The higher ARPA this year was a result of the acquisition of Shaw.

Equipment revenue

Equipment revenue includes revenue generated from the sale of television set-top boxes, Internet modems and other equipment, and smart home monitoring equipment. The increase in equipment revenue this year was primarily as a result of our acquisition of Shaw and higher Ignite equipment sales.

OPERATING EXPENSES

We record Cable operating expenses in three categories:

- the cost of programming;
- the cost of equipment revenue (including smart home monitoring equipment); and
- all other expenses involved in day-to-day operations, to service and retain existing subscriber relationships, and to attract new subscribers.

The 61% increase in operating expenses this year was a result of:

- our acquisition of Shaw, partially offset by the realization of cost synergies associated with integration activities; and
- investments in customer service.

ADJUSTED EBITDA

The 83% increase in adjusted EBITDA this year was a result of the revenue and expense changes described above.

MEDIA

DIVERSIFIED CANADIAN MEDIA COMPANY

We have a broad portfolio of media properties, which most significantly includes:

- sports media and entertainment, such as Sportsnet (Canada's number-one sports media brand) and the Toronto Blue Jays;
- our exclusive national 12-year NHL Agreement, which runs through the 2025-2026 season;
- category-leading television and radio broadcasting properties;
- multi-platform televised and online shopping; and
- digital media.

MEDIA FINANCIAL RESULTS

(In millions of dollars, except margins)	Years ended December 31		
	2023	2022	% Chg
Revenue	2,335	2,277	3
Operating expenses	2,258	2,208	2
Adjusted EBITDA	77	69	12
Adjusted EBITDA margin	3.3%	3.0%	0.3 pts
Capital expenditures	250	142	76

REVENUE

Media revenue is earned from:

- advertising sales across its television, radio, and digital media properties;
- subscriptions to televised and OTT products;
- ticket sales, fund redistribution and other distributions from MLB, and concession sales; and
- retail product sales.

The 3% increase in revenue this year was primarily a result of:

- higher sports-related revenue, including:
 - higher subscriber revenue; and
 - higher Toronto Blue Jays revenue, primarily as a result of increased attendance from strong team performance; partially offset by
- lower Today's Shopping Choice revenue.

OPERATING EXPENSES

We record Media operating expenses in four primary categories:

- the cost of broadcast content, including sports programming and production;
- Toronto Blue Jays player compensation;
- the cost of retail products sold; and
- all other expenses involved in day-to-day operations.

The 2% increase in operating expenses this year was a result of:

- higher Toronto Blue Jays expenses, including player payroll, and game day costs due to increased attendance from strong team performance; and
- higher programming and production costs; partially offset by
- lower Today's Shopping Choice cost of goods sold.

ADJUSTED EBITDA

The increase in adjusted EBITDA this year was a result of the revenue and expense changes described above.

CAPITAL EXPENDITURES

Capital expenditures are significant and have a material impact on our cash flows; therefore, our management teams focus on planning, funding, and managing them. Capital expenditures include costs associated with acquiring property, plant and equipment and placing it into service. The telecommunications business requires extensive and continual investments, including investment in new technologies and the expansion of capacity and geographical reach. Expenditures related to the acquisition of spectrum licences and additions to right-of-use assets are not included in capital expenditures and do not factor into the calculation of free cash flow or capital intensity. See "Managing our Liquidity and Financial Resources", "Key Performance Indicators", and "Non-GAAP and Other Financial Measures" for more information.

We believe this measure best reflects our cost of property, plant and equipment in a given period and is a simpler measure for comparing between periods.

(In millions of dollars, except capital intensity)	Years ended December 31		
	2023	2022	% Chg
Wireless	1,625	1,758	(8)
Cable	1,865	1,019	83
Media	250	142	76
Corporate	194	156	24
Capital expenditures ¹	3,934	3,075	28
Capital intensity ²	20.4%	20.0%	0.4 pts

¹ Includes additions to property, plant and equipment net of proceeds on disposition, but does not include expenditures for spectrum licences, additions to right-of-use assets, or assets acquired through business combinations.

² Capital intensity is a supplementary financial measure. See "Non-GAAP and Other Financial Measures" for an explanation as to the composition of this measure.

One of our objectives is to build the biggest and best networks in the country. As we continually work towards this, we spent more on our wireless and wireline networks this year than we have in the past several years. This year, we continued to roll out our 5G network (the largest 5G network in Canada as at December 31, 2023) across the country, and continued with our commitment to expand coverage across Western Canada and in the TTC subway system. We also continued to invest in fibre deployments, including FTTH, in our cable network and we expanded our network footprint to reach more homes and businesses, including in rural, remote, and

Indigenous communities. We continued strengthening the resilience of our networks and made significant investments to strengthen our technology systems, increase network stability for our customers, and enhance our testing.

WIRELESS

The decrease in capital expenditures in Wireless this year reflect lower network infrastructure investments as a result of the significant investments we made in prior years related to the rollout and expansion of our 5G network. We continue to make investments in our network development and 5G deployment to expand our wireless network. The ongoing deployment of 3500 MHz spectrum continues to augment the capacity and resilience of our earlier 5G deployments in the 600 MHz spectrum band.

CABLE

The increase in capital expenditures in Cable this year reflects our acquisition of Shaw and continued investments in our infrastructure, including additional fibre deployments to increase our FTTH distribution. These investments incorporate the latest technologies to help deliver more bandwidth and an enhanced customer experience as we progress in our connected home roadmap, including service footprint expansion and upgrades to our DOCSIS 3.1 platform to evolve to DOCSIS 4.0, offering increased network resilience, stability, and faster download speeds over time.

MEDIA

The increase in capital expenditures in Media this year was primarily a result of higher Toronto Blue Jays stadium infrastructure-related expenditures associated with the second phase of the Rogers Centre modernization project.

CORPORATE

The increase in corporate capital expenditures this year was a result of higher investments in our corporate information technology infrastructure.

CAPITAL INTENSITY

Capital intensity increased this year as a result of higher capital expenditures, partially offset by higher revenue, as discussed above.

REVIEW OF CONSOLIDATED PERFORMANCE

This section discusses our net income and other expenses that do not form part of the segment discussions above.

(In millions of dollars)	Years ended December 31		
	2023	2022	% Chg
Adjusted EBITDA	8,581	6,393	34
Deduct (add):			
Depreciation and amortization	4,121	2,576	60
Restructuring, acquisition and other	685	310	121
Finance costs	2,047	1,233	66
Other expense (income)	362	(15)	n/m
Income tax expense	517	609	(15)
Net income	849	1,680	(49)

ADJUSTED EBITDA

See “Key Changes in Financial Results Year Over Year” for a discussion of the increase in adjusted EBITDA this year.

DEPRECIATION AND AMORTIZATION

(In millions of dollars)	Years ended December 31		
	2023	2022	% Chg
Depreciation of property, plant and equipment	3,331	2,281	46
Depreciation of right-of-use assets	371	274	35
Amortization	419	21	n/m
Total depreciation and amortization	4,121	2,576	60

Total depreciation and amortization increased this year, primarily as a result of the property, plant and equipment, right-of-use assets, and customer relationship intangible assets acquired through the Shaw Transaction.

RESTRUCTURING, ACQUISITION AND OTHER

(In millions of dollars)	Years ended December 31		
	2023	2022	% Chg
Restructuring and other	365	118	n/m
Shaw Transaction-related costs	320	192	67
Total restructuring, acquisition and other	685	310	121

The Shaw Transaction-related costs in 2022 and 2023 consisted of incremental costs supporting acquisition and integration activities related to the Shaw Transaction. This includes significant costs in the second quarter of 2023 relating to closing-related fees, the Shaw Transaction-related employee retention program, and the cost of the tangible benefits package related to the broadcasting portion of the Shaw Transaction.

The restructuring and other costs in 2022 and 2023 were primarily severance and other departure-related costs associated with the targeted restructuring of our employee base, which in 2023, also included costs associated with a voluntary departure program.

These costs also included costs related to real estate rationalization programs.

FINANCE COSTS

(In millions of dollars)	Years ended December 31		
	2023	2022	% Chg
Total interest on borrowings ¹	1,981	1,354	46
Interest earned on restricted cash and cash equivalents	(149)	(235)	(37)
Interest on borrowings, net	1,832	1,119	64
Interest on lease liabilities	111	80	39
Interest on post-employment benefits liability	(13)	(1)	n/m
(Gain) loss on foreign exchange	(111)	127	n/m
Change in fair value of derivative instruments	108	(126)	n/m
Capitalized interest	(38)	(29)	31
Deferred transaction costs and other	158	63	151
Total finance costs	2,047	1,233	66

¹ Interest on borrowings includes interest on short-term borrowings and on long-term debt.

The 66% increase in finance costs this year was primarily a result of:

- new debt issued to fund the cash consideration for the Shaw Transaction, composed of:
 - \$4.25 billion and US\$7.05 billion senior notes issued in March 2022; and
 - \$6 billion of borrowings under the term loan facility on April 3, 2023;
- interest expense associated with Shaw's long-term debt that we assumed as a result of the Shaw Transaction;
- new debt issued to fund certain debt maturities, including the issuance of US\$750 million subordinated notes in February 2022; and
- rising interest rates; partially offset by
- reductions in our US CP and receivables securitization balances.

Foreign exchange and change in fair value of derivative instruments
We recognized \$111 million in net foreign exchange gains in 2023 (2022 - \$127 million in net losses). These gains were primarily attributed to our \$6 billion term loan facility and our US CP program borrowings.

These foreign exchange gains were offset by the \$108 million loss related to the change in fair value of derivatives (2022 - \$126 million gain) that was primarily attributed to the debt derivatives, which were not designated as hedges for accounting purposes, we used to substantially offset the foreign exchange risk related to these US dollar-denominated borrowings.

Deferred transaction costs and other

The increase in “deferred transaction costs and other” this year is primarily a result of the amortization of the \$819 million of consent fees paid in September 2022 and January 2023 to extend the special mandatory redemption outside date for the SMR notes (as defined below) (see “Managing our Liquidity and Financial Resources”).

See “Managing our Liquidity and Financial Resources” for more information about our debt and related finance costs.

OTHER EXPENSE (INCOME)

The increase in other expense this year was a result of a \$422 million loss related to the change in the value of one of our joint venture's obligation to purchase at fair value the non-controlling interest in one of its investments.

INCOME TAX EXPENSE

Below is a summary of the difference between income tax expense computed by applying the statutory income tax rate to income before income tax expense and the actual income tax expense for the year. The decrease in our statutory income tax rate was a result of a greater portion of our income being earned in provinces with lower income tax rates.

(In millions of dollars, except tax rates)	Years ended December 31	
	2023	2022
Statutory income tax rate	26.2%	26.5%
Income before income tax expense	1,366	2,289
Computed income tax expense	358	607
Increase (decrease) in income tax expense resulting from:		
Non-deductible stock-based compensation	9	10
Non-deductible (taxable) portion of equity losses (income)	(1)	9
Revaluation of deferred tax balances due to corporate reorganization-driven change in income tax rate	52	-
Non-taxable portion of capital gains	(1)	(5)
Non-taxable income from security investments	(16)	(12)
Non-deductible loss on joint venture's non-controlling interest purchase obligation	111	-
Other items	5	-
Total income tax expense	517	609
Effective income tax rate	37.8%	26.6%
Cash income taxes paid	439	455

Our effective income tax rate this year was 37.8% compared to 26.6% for 2022. The effective income tax rate for 2023 is higher than the statutory income tax rate as a result of the non-deductible loss on one of our joint venture's non-controlling interest purchase obligation and the revaluation of deferred tax balances due to a corporate reorganization-driven change in income tax rate. In 2022 our effective income tax rate approximated the statutory income tax rate.

Cash income taxes paid in 2023 is comparable to the prior year and consistent with current income tax expense.

NET INCOME

Net income was 49% lower than last year. See "Key Changes in Financial Results Year Over Year" for more information.

(In millions of dollars, except per share amounts)	Years ended December 31		
	2023	2022	% Chg
Net income	849	1,680	(49)
Basic earnings per share	\$1.62	\$ 3.33	(51)
Diluted earnings per share	\$1.62	\$ 3.32	(51)

ADJUSTED NET INCOME

Adjusted net income was 26% higher compared to 2022, primarily as a result of higher adjusted EBITDA, partially offset by higher depreciation and amortization and higher finance costs, both associated with the Shaw Transaction.

(In millions of dollars, except per share amounts)	Years ended December 31		
	2023	2022	% Chg
Adjusted EBITDA	8,581	6,393	34
Deduct (add):			
Depreciation and amortization ¹	3,357	2,576	30
Finance costs	2,047	1,233	66
Other income ²	(60)	(15)	n/m
Income tax expense ³	831	684	21
Adjusted net income	2,406	1,915	26
Adjusted basic earnings per share	\$ 4.60	\$ 3.79	21
Adjusted diluted earnings per share	\$ 4.59	\$ 3.78	21

¹ Effective this year, we amended our calculation of adjusted net income to exclude depreciation and amortization on the fair value increment recognized on acquisition of Shaw Transaction-related property, plant and equipment and intangible assets. For purposes of calculating adjusted net income, we believe the magnitude of this depreciation and amortization, which is significantly affected by the size of the Shaw Transaction, affects comparability between periods and the additional expense recognized may have no correlation to our current and ongoing operating results. Depreciation and amortization excludes depreciation and amortization on Shaw Transaction-related property, plant and equipment and intangible assets for the year ended December 31, 2023 of \$764 million (2022 - nil). Adjusted net income includes depreciation and amortization on the acquired Shaw property, plant and equipment and intangible assets based on Shaw's historical cost and depreciation policies.

² Other income for the year ended December 31, 2023 excludes a \$422 million loss related to one of our joint venture's obligation to purchase at fair value the non-controlling interest in one of its investments.

³ Income tax expense excludes a \$366 million recovery (2022 - \$75 million recovery) for the year ended December 31, 2023 related to the income tax impact for adjusted items and it also excludes a \$52 million expense (2022 - nil) for the year ended December 31, 2023 due to a revaluation of deferred tax balances resulting from a change in our income tax rate.

EMPLOYEES

Employee salaries and benefits represent a material portion of our expenses. As at December 31, 2023, we had approximately 26,000 employees (2022 - 22,000) across all of our operating groups, including shared services and the corporate office. Total salaries and benefits for full-time and part-time employees in 2023 were \$2,453 million (2022 - \$2,226 million). The increases in our employee base and total employee salaries and benefits this year were a result of the Shaw Transaction and higher Toronto Blue Jays player payroll costs.

2022 FULL-YEAR RESULTS COMPARED TO 2021

(In millions of dollars, except margins)	Years ended December 31		
	2022	2021	% Chg
Revenue			
Wireless	9,197	8,768	5
Cable	4,071	4,072	-
Media	2,277	1,975	15
Corporate items and intercompany eliminations	(149)	(160)	(7)
Revenue	15,396	14,655	5
Total service revenue	13,305	12,533	6
Adjusted EBITDA			
Wireless	4,469	4,214	6
Cable	2,058	2,013	2
Media	69	(127)	n/m
Corporate items and intercompany eliminations	(203)	(213)	(5)
Adjusted EBITDA	6,393	5,887	9
Adjusted EBITDA margin	41.5%	40.2%	1.3 pts
Net income	1,680	1,558	8
Adjusted net income	1,915	1,803	6

Revenue

Consolidated revenue increased by 5% in 2022, driven by a revenue increase of 5% in Wireless and a 15% increase in Media.

Wireless service revenue increased by 7% in 2022, primarily as a result of higher roaming revenue associated with significantly increased travel, as COVID-19-related global travel restrictions were removed, and a larger postpaid mobile phone subscriber base, partially offset by credits granted to subscribers relating to the July network outage. Wireless equipment revenue decreased this year as a result of fewer of our new subscribers purchasing devices and fewer device upgrades by existing subscribers.

Cable revenue was flat in 2022, primarily as a result of increased competitive promotional activity and credits granted to subscribers relating to the July network outage, offset by service pricing changes made in the first quarter and an increase in total customer relationships.

Media revenue increased by 15% in 2022, primarily as a result of higher Toronto Blue Jays revenue, driven by the increase to full audience capacity for the full year at the Rogers Centre, and higher advertising revenue, partially offset by lower Today's Shopping Choice revenue.

Adjusted EBITDA

Consolidated adjusted EBITDA increased in 2022 to \$6,393 million, primarily due to a 6% increase in Wireless and a 2% increase in Cable adjusted EBITDA, with a consolidated adjusted EBITDA margin of 42%.

Wireless adjusted EBITDA increased by 6% in 2022 primarily due to the flow-through impact of higher revenue as discussed above.

Cable adjusted EBITDA increased by 2% in 2022 primarily as a result of lower operating expenses due to recognized cost efficiencies.

Media adjusted EBITDA increased by \$196 million in 2022, primarily as a result of higher revenue as discussed above, partially offset by higher Toronto Blue Jays player payroll costs and higher production and other operating costs as a result of increased activities as COVID-19 restrictions were removed.

Net income and adjusted net income

Net income increased 8% and adjusted net income increased 6% in 2022, primarily as a result of higher adjusted EBITDA, partially offset by higher finance costs attributable to the Shaw senior note financing.

QUARTERLY RESULTS

Below is a summary of our quarterly consolidated financial results and key performance indicators for 2023 and 2022.

QUARTERLY CONSOLIDATED FINANCIAL SUMMARY

(In millions of dollars, except per share amounts)	2023					2022				
	Full Year	Q4	Q3	Q2	Q1	Full Year	Q4	Q3	Q2	Q1
Revenue										
Wireless	10,222	2,868	2,584	2,424	2,346	9,197	2,578	2,267	2,212	2,140
Cable	7,005	1,982	1,993	2,013	1,017	4,071	1,019	975	1,041	1,036
Media	2,335	558	586	686	505	2,277	606	530	659	482
Corporate items and intercompany eliminations	(254)	(73)	(71)	(77)	(33)	(149)	(37)	(29)	(44)	(39)
Total revenue	19,308	5,335	5,092	5,046	3,835	15,396	4,166	3,743	3,868	3,619
Total service revenue	16,845	4,470	4,527	4,534	3,314	13,305	3,436	3,230	3,443	3,196
Adjusted EBITDA										
Wireless	4,986	1,291	1,294	1,222	1,179	4,469	1,173	1,093	1,118	1,085
Cable	3,774	1,111	1,080	1,026	557	2,058	522	465	520	551
Media	77	4	107	4	(38)	69	57	76	2	(66)
Corporate items and intercompany eliminations	(256)	(77)	(70)	(62)	(47)	(203)	(73)	(51)	(48)	(31)
Adjusted EBITDA	8,581	2,329	2,411	2,190	1,651	6,393	1,679	1,583	1,592	1,539
Deduct (add):										
Depreciation and amortization	4,121	1,172	1,160	1,158	631	2,576	648	644	638	646
Restructuring, acquisition and other	685	86	213	331	55	310	58	85	71	96
Finance costs	2,047	568	600	583	296	1,233	287	331	357	258
Other expense (income)	362	(19)	426	(18)	(27)	(15)	(10)	19	(18)	(6)
Net income before income tax expense	1,366	522	12	136	696	2,289	696	504	544	545
Income tax expense	517	194	111	27	185	609	188	133	135	153
Net income (loss)	849	328	(99)	109	511	1,680	508	371	409	392
Earnings (loss) per share:										
Basic	\$ 1.62	\$ 0.62	(\$ 0.19)	\$ 0.21	\$ 1.01	\$ 3.33	\$ 1.01	\$ 0.73	\$ 0.81	\$ 0.78
Diluted	\$ 1.62	\$ 0.62	(\$ 0.20)	\$ 0.20	\$ 1.00	\$ 3.32	\$ 1.00	\$ 0.71	\$ 0.76	\$ 0.77
Net income (loss)	849	328	(99)	109	511	1,680	508	371	409	392
Add (deduct):										
Restructuring, acquisition and other	685	86	213	331	55	310	58	85	71	96
Depreciation and amortization on fair value increment of Shaw Transaction-related assets	764	249	263	252	-	-	-	-	-	-
Loss on joint venture's non-controlling interest purchase obligation	422	-	422	-	-	-	-	-	-	-
Income tax impact of above items	(366)	(85)	(120)	(148)	(13)	(75)	(12)	(20)	(17)	(26)
Income tax adjustment, tax rate change	52	52	-	-	-	-	-	-	-	-
Adjusted net income	2,406	630	679	544	553	1,915	554	436	463	462
Adjusted earnings per share:										
Basic	\$ 4.60	\$ 1.19	\$ 1.28	\$ 1.03	\$ 1.10	\$ 3.79	\$ 1.10	\$ 0.86	\$ 0.92	\$ 0.91
Diluted	\$ 4.59	\$ 1.19	\$ 1.27	\$ 1.02	\$ 1.09	\$ 3.78	\$ 1.09	\$ 0.84	\$ 0.86	\$ 0.91
Capital expenditures	3,934	946	1,017	1,079	892	3,075	776	872	778	649
Cash provided by operating activities	5,221	1,379	1,754	1,635	453	4,493	1,145	1,216	1,319	813
Free cash flow	2,414	823	745	476	370	1,773	635	279	344	515

FOURTH QUARTER 2023 RESULTS

Results commentary in "Fourth Quarter 2023 Results" compares the fourth quarter of 2023 with the fourth quarter of 2022.

Revenue

Total revenue and total service revenue each increased by 28% and 30% in the fourth quarter, driven substantially by revenue growth in our Cable and Wireless businesses.

Wireless service revenue increased by 9% in the fourth quarter, primarily as a result of the cumulative impact of growth in our mobile phone subscriber base and revenue from Shaw Mobile subscribers acquired through the Shaw Transaction. Wireless equipment revenue increased by 17%, primarily as a result of an increase in new subscribers purchasing devices and a continued shift in the product mix towards higher-value devices.

Cable service revenue increased by 94% in the fourth quarter primarily as a result of the Shaw Transaction.

Media revenue decreased by 8% in the fourth quarter primarily as a result of lower sports-related revenue associated with a distribution from Major League Baseball in 2022.

Adjusted EBITDA and margins

Consolidated adjusted EBITDA increased 39% in the fourth quarter and our adjusted EBITDA margin increased by 340 basis points, as a result of improving synergies and efficiencies.

Wireless adjusted EBITDA increased by 10%, primarily due to the flow-through impact of higher revenue as discussed above. This gave rise to an adjusted EBITDA margin of 63.9%.

Cable adjusted EBITDA increased by 113%, due to the flow-through impact of higher revenue as discussed above and the achievement of cost synergies associated with integration activities. This gave rise to an adjusted EBITDA margin of 56.1%.

Media adjusted EBITDA decreased by \$53 million in the fourth quarter, primarily due to lower sports-related revenue as discussed above.

Net income and adjusted net income

Net income decreased by 35% in the fourth quarter, primarily as a result of higher depreciation and amortization associated with assets acquired through the Shaw Transaction; higher restructuring, acquisition and other costs, primarily associated with Shaw acquisition and integration-related activities; and higher finance costs, partially offset by higher adjusted EBITDA. Adjusted net income increased by 14% in the fourth quarter, primarily as a result of higher adjusted EBITDA.

QUARTERLY TRENDS AND SEASONALITY

Our operating results generally vary from quarter to quarter as a result of changes in general economic conditions and seasonal fluctuations, among other things, in each of our reportable segments. This means our results in one quarter are not necessarily indicative of how we will perform in a future quarter. Wireless, Cable, and Media each have unique seasonal aspects to, and certain other historical trends in, their businesses.

Fluctuations in net income from quarter to quarter can also be attributed to losses on the repayment of debt, foreign exchange

gains or losses, changes in the fair value of derivative instruments, other income and expenses, restructuring, acquisition and other costs, gains or losses on asset sales, impairment of assets, and changes in income tax expense.

Wireless

Trends affecting both Wireless revenue and adjusted EBITDA reflect:

- the growing number of wireless subscribers;
- greater usage of wireless data;
- a shift to consumers financing higher-value devices, along with ongoing disciplined promotional activity; partially offset by
- fewer new subscribers purchasing devices and fewer device upgrades by existing customers; and
- decreasing postpaid churn, which we believe is beginning to reflect the realization of our enhanced customer service efforts; partially offset by
- lower overage revenue as customers continue to adopt our unlimited data plans.

Additional trends affecting Wireless adjusted EBITDA reflect higher costs related to the increasing number of subscribers.

We continue to target organic growth in higher-value postpaid subscribers, reflected in the increasing proportion of postpaid subscribers relative to prepaid subscribers. Prepaid plans have also evolved to have properties similar to those of traditional postpaid plans. We believe this evolution provides consumers with greater choice of subscribing to a postpaid or prepaid service plan. Growth in our customer base over time has resulted in higher costs for customer service, retention, credit, and collection; however, most of the cost increases have been offset by gains in operating efficiencies.

Wireless operating results are influenced by the timing of our marketing and promotional expenditures and higher levels of subscriber additions, resulting in higher subscriber acquisition- and activation-related expenses, typically in the third and fourth quarters. Conversely, periods with higher activity may adversely impact churn metrics as a result of heightened competitive activity. The third and fourth quarters typically experience higher volumes of activity as a result of "back to school" and holiday season-related consumer behaviour. Aggressive promotional offers are often advertised during these periods and also contribute to the impact on subscriber metrics. In contrast, we typically see lower subscriber additions in the first quarter of the year.

The launch of popular new wireless device models can also affect the level of subscriber activity. Highly anticipated device launches typically occur in the spring and fall seasons of each year. Wireless roaming revenue is dependent on customer travel volumes and timing, which in turn are affected by the foreign exchange rate of the Canadian dollar and general economic conditions.

Cable

Trends affecting Cable service revenue primarily reflect:

- higher Internet subscription fees as customers increasingly upgrade to higher-tier speed plans;
- customers adopting Ignite TV;
- general service pricing increases; and
- the shift of business customers from lower-margin, off-net legacy long distance and data services to higher-margin, next-generation services and data centre businesses; partially offset by

- competitive losses of legacy Television, Phone, and Satellite subscribers;
- Television subscribers downgrading their service plans; and
- lower additional usage of our products and services as service plans are increasingly bundling more features, such as a greater number of TV channels.

Trends affecting Cable adjusted EBITDA primarily reflect:

- higher Internet operating margins, as a result of the shift from conventional Television to Internet services; and
- the shift to a self-install model for most of our Cable products; partially offset by
- higher premium supplier fees in Television as a result of bundling more value-added offerings into our Cable products.

Cable's operating results are affected by modest seasonal fluctuations in subscriber additions and disconnections, typically caused by:

- university and college students who live in residence moving out early in the second quarter and cancelling their service as well as students moving in late in the third quarter and signing up for cable service;
- individuals temporarily suspending service for extended vacations or seasonal relocations;
- seasonal use of secondary residences (e.g. cottages) for satellite subscribers;
- the timing of service pricing changes; and
- the focused marketing we generally conduct in our fourth quarter.

Cable operating results are also influenced by trends in cord shaving and cord cutting, which has resulted in fewer subscribers watching traditional cable television, as well as a lower number of Television subscribers. In addition, trends in the use of wireless products and Internet or social media as substitutes for traditional home phone products have resulted in fewer Phone subscribers. Cable results from our business customers do not generally have any unique seasonal aspects.

Media

Trends affecting Media revenue and adjusted EBITDA are generally the result of:

- fluctuations in advertising and consumer market conditions;
- subscriber rate increases;
- higher sports and rights costs, including increases as we move further along in our NHL Agreement;
- general cord shaving and cord cutting by television subscribers regardless of service provider; and
- continual investment in primetime and specialty programming relating to both our broadcast networks (such as Citytv) and our specialty channels (such as FX (Canada)).

Seasonal fluctuations relate to:

- periods of increased consumer activity and their impact on advertising and related retail cycles, which tend to be most active in the fourth quarter due to holiday spending and slower in the first quarter;
- the MLB season, where:
 - games played are concentrated in the spring, summer, and fall months (generally the second and third quarters of the year);
 - revenue related to game day ticket sales, merchandise sales, and advertising are concentrated in the spring, summer, and fall months (generally the second and third quarters of the year), with postseason games commanding a premium in advertising revenue and additional revenue from game day ticket sales and merchandise sales, if and when the Toronto Blue Jays play in the postseason (in the fourth quarter of the year); and
- programming and production costs and player payroll are expensed based on the number of games aired or played, as applicable; and
- the NHL season, where:
 - regular season games are concentrated in the fall and winter months (generally the first and fourth quarters of the year) and playoff games are concentrated in the spring months (generally the second quarter of the year). We expect a correlation between the quality of revenue and earnings and the extent of Canadian teams' presence during the playoffs;
 - programming and production costs are expensed based on the timing of when the rights are aired or are expected to be consumed; and
 - advertising revenue and programming expenses are concentrated in the fall, winter, and spring months, with playoff games commanding a premium in advertising revenue.

Other expenses

Depreciation and amortization trails capital expenditures and is expected to trend upward as a result of an increase in our capital expenditures and general depreciable asset base, primarily related to the ongoing expansions of our wireless and cable networks. The increasing trend is a direct result of increasing capital expenditures as we upgraded our wireless network for 5G services and our service footprint expansion and upgrades to our DOCSIS 3.1 platform to evolve to DOCSIS 4.0 for our Cable footprint. We expect future depreciation and amortization to align with ongoing capital expenditures and additions to right-of-use assets.

Finance costs are also trending upward as a result of the significant debt we have incurred related to the Shaw Transaction.

OVERVIEW OF FINANCIAL POSITION

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at December 31 (In millions of dollars)	2023	2022	\$ Chg	% Chg	Explanation of significant changes
Assets					
Current assets:					
Cash and cash equivalents	800	463	337	73	See "Managing our Liquidity and Financial Resources".
Restricted cash and cash equivalents	-	12,837	(12,837)	(100)	Reflects usage of these funds to fund a portion of the cash consideration for the Shaw Transaction.
Accounts receivable	4,996	4,184	812	19	Reflects higher financing receivables due to growth in our Wireless business and the accounts receivable acquired in the Shaw Transaction.
Inventories	456	438	18	4	n/m
Current portion of contract assets	163	111	52	47	Reflects the fair value of the current portion of contract assets acquired in the Shaw Transaction.
Other current assets	1,202	561	641	114	Reflects other current assets acquired in the Shaw Transaction and higher deferred commission costs.
Current portion of derivative instruments	80	689	(609)	(88)	Primarily reflects the settlement of our debt derivatives related to our US\$500 million senior notes in March 2023 and the settlement of debt derivatives related to our US\$850 million senior notes in October 2024.
Assets held for sale	137	-	137	-	Reflects the reclassification of certain real estate assets we expect to sell in 2024.
Total current assets	7,834	19,283	(11,449)	(59)	
Property, plant and equipment	24,332	15,574	8,758	56	Reflects the fair value of property, plant, and equipment acquired in the Shaw Transaction and capital expenditures incurred.
Intangible assets	17,896	12,251	5,645	46	Reflects the fair value of intangible assets acquired this year, primarily in the Shaw Transaction.
Investments	598	2,088	(1,490)	(71)	Reflects the sale of our interests in Cogeco and a loss on one of our joint venture's obligations to purchase at fair value the non-controlling interest in one of its investments.
Derivative instruments	571	861	(290)	(34)	Reflects the change in market values of debt derivatives as a result of the appreciation of the Cdn\$ relative to the US\$.
Financing receivables	1,101	886	215	24	Reflects an increase in customers financing new devices as a result of growth in our Wireless business.
Other long-term assets	670	681	(11)	(2)	n/m
Goodwill	16,280	4,031	12,249	n/m	Reflects the goodwill recognized as a result of business combinations this year, primarily the Shaw Transaction.
Total assets	69,282	55,655	13,627	24	
Liabilities and shareholders' equity					
Current liabilities:					
Short-term borrowings	1,750	2,985	(1,235)	(41)	See "Managing our Liquidity and Financial Resources".
Accounts payable and accrued liabilities	4,221	3,722	499	13	Reflects an increase in liabilities as a result of the Shaw Transaction.
Other current liabilities	434	252	182	72	Primarily reflects a change in the fair value of short-term debt derivatives related to the borrowings under our term loan facility.
Contract liabilities	773	400	373	93	Primarily reflects an increase in contract liabilities as a result of the Shaw Transaction.
Current portion of long-term debt	1,100	1,828	(728)	(40)	Reflects the repayment of our US\$850 million senior notes in October 2023 and US\$500 million senior notes in March 2023, partially offset by the reclassification to current of \$500 million senior notes due January 2024 and \$600 million of senior notes due March 2024.
Current portion of lease liabilities	504	362	142	39	Reflects the fair value of current lease liabilities assumed in the Shaw Transaction and liabilities for new leases entered into.
Total current liabilities	8,782	9,549	(767)	(8)	
Provisions	54	53	1	2	n/m
Long-term debt	39,755	29,905	9,850	33	Reflects an increase due to borrowings under our term loan facility, the fair value of long-term debt assumed in the Shaw Transaction, and the issuance of \$3 billion in senior notes in September 2023, partially offset by the reclassification to current of \$500 million of senior notes due January 2024 and \$600 million senior notes due March 2024.
Lease liabilities	2,089	1,666	423	25	Primarily reflects the fair value of lease liabilities assumed in the Shaw Transaction.
Other long-term liabilities	1,783	738	1,045	142	Reflects the change in market values of debt derivatives as a result of the appreciation of the Cdn\$ relative to the US\$.
Deferred tax liabilities	6,379	3,652	2,727	75	Reflects deferred tax liabilities acquired in the Shaw Transaction, including the related fair value increments.
Total liabilities	58,842	45,563	13,279	29	
Shareholders' equity	10,440	10,092	348	3	Reflects changes in retained earnings and equity reserves.
Total liabilities and shareholders' equity	69,282	55,655	13,627	24	

Managing our Liquidity and Financial Resources

SOURCES AND USES OF CASH

OPERATING, INVESTING, AND FINANCING ACTIVITIES

(In millions of dollars)	Years ended December 31	
	2023	2022
Cash provided by operating activities before changes in net operating assets and liabilities, income taxes paid, and interest paid	8,067	6,154
Change in net operating assets and liabilities	(627)	(152)
Income taxes paid	(439)	(455)
Interest paid, net	(1,780)	(1,054)
Cash provided by operating activities	5,221	4,493
Investing activities:		
Capital expenditures	(3,934)	(3,075)
Additions to program rights	(74)	(47)
Changes in non-cash working capital related to capital expenditures and intangible assets	(2)	(200)
Acquisitions and other strategic transactions, net of cash acquired	(16,215)	(9)
Other	25	68
Cash used in investing activities	(20,200)	(3,263)
Financing activities:		
Net (repayment of) proceeds received from short-term borrowings	(1,439)	707
Net issuance of long-term debt	5,040	12,711
Net proceeds (payments) on settlement of debt derivatives and forward contracts	492	(11)
Transaction costs incurred	(284)	(726)
Principal payments of lease liabilities	(370)	(316)
Dividends paid	(960)	(1,010)
Cash provided by financing activities	2,479	11,355
Change in cash and cash equivalents and restricted cash and cash equivalents	(12,500)	12,585
Cash and cash equivalents and restricted cash and cash equivalents, beginning of year	13,300	715
Cash and cash equivalents and restricted cash and cash equivalents, end of year	800	13,300
Cash and cash equivalents	800	463
Restricted cash and cash equivalents	-	12,837
Cash and cash equivalents and restricted cash and cash equivalents, end of year	800	13,300

OPERATING ACTIVITIES

The 16% increase in cash provided by operating activities this year was primarily a result of higher adjusted EBITDA, partially offset by higher investment in net operating assets, mainly higher accounts receivable associated with the increase in revenue, and higher interest paid, related to the Shaw senior note financing.

INVESTING ACTIVITIES

Capital expenditures

We spent \$3,934 million this year on property, plant and equipment before related changes in non-cash working capital items, which was 28% higher than 2022. See "Capital Expenditures" for more information.

Acquisitions and other strategic transactions

In 2023, we paid \$16.2 billion, net of cash acquired, related to business acquisitions, primarily the Shaw Transaction (see "Shaw Transaction").

In December 2023, we sold our investment interests in Cogeco Inc. and Cogeco Communications Inc. for \$829 million to Caisse de dépôt et placement du Québec in a private transaction. We subsequently used the cash received to repay a portion of our outstanding term loan facility (see "Long-term debt" below).

FINANCING ACTIVITIES

This year, we received net amounts of \$3,809 million (2022 - received net amounts of \$12,681 million) on our short-term borrowings, long-term debt, and related derivatives, net of transaction costs. The receipts in 2023 and 2022 reflect new debt issued primarily associated with our long-term financing for the Shaw Transaction. See "Financial Risk Management" for more information on the cash flows relating to our derivative instruments.

Short-term borrowings

Our short-term borrowings consist of amounts outstanding under our receivables securitization program, our short-term non-revolving credit facilities, and our US CP program. Below is a summary of our short-term borrowings as at December 31, 2023 and 2022.

(In millions of dollars)	Years ended December 31	
	2023	2022
Receivables securitization program	1,600	2,400
US commercial paper program (net of the discount on issuance)	150	214
Non-revolving credit facility borrowings	-	371
Total short-term borrowings	1,750	2,985

The table below summarizes the activity relating to our short-term borrowings for the years ended December 31, 2023 and 2022.

(In millions of dollars, except exchange rates)	Year ended December 31, 2023			Year ended December 31, 2022		
	Notional (US\$)	Exchange rate	Notional (Cdn\$)	Notional (US\$)	Exchange rate	Notional (Cdn\$)
Proceeds received from receivables securitization			-			1,600
Repayment of receivables securitization			(1,000)			-
Net repayment of (proceeds received from) receivables securitization			(1,000)			1,600
Proceeds received from US commercial paper	1,803	1.357	2,447	6,745	1.302	8,781
Repayment of US commercial paper	(1,858)	1.345	(2,499)	(7,303)	1.306	(9,537)
Net repayment of US commercial paper			(52)			(756)
Proceeds received from non-revolving credit facilities (Cdn\$)			375			865
Proceeds received from non-revolving credit facilities (US\$)	2,125	1.349	2,866	-	-	-
Total proceeds received from non-revolving credit facilities			3,241			865
Repayment of non-revolving credit facilities (Cdn\$)			(758)			(495)
Repayment of non-revolving credit facilities (US\$)	(2,125)	1.351	(2,870)	(400)	1.268	(507)
Total repayment of non-revolving credit facilities			(3,628)			(1,002)
Net repayment of non-revolving credit facilities			(387)			(137)
Net (repayment of) proceeds received from short-term borrowings			(1,439)			707

In March 2022, we amended the terms of our receivables securitization program and increased the maximum potential proceeds under the program from \$1.2 billion to \$1.8 billion. In May 2022, we further amended the terms of the program and increased the maximum potential proceeds to \$2 billion. In October 2022, we further amended the terms of the program and increased the maximum potential proceeds to \$2.4 billion. We will continue to service the receivables and they will continue to be recorded as “accounts receivable” or “financing receivables”, as applicable, on our 2023 Consolidated Statements of Financial Position.

The terms of our receivables securitization program are committed until its expiry, which we extended this year to an expiration date of June 26, 2026. The buyer's interest in these receivables ranks ahead of our interest. The buyer of our receivables has no further claim on any of our other assets.

In April 2023, we repaid the outstanding \$200 million of borrowings under Shaw's legacy accounts receivable securitization program,

subsequent to which the program was terminated. This repayment is included in “repayment of receivables securitization” above.

We have a US CP program that allows us to issue up to a maximum aggregate principal amount of US\$1.5 billion. Funds can be borrowed under this program with terms to maturity ranging from 1 to 397 days, subject to ongoing market conditions. Any issuances made under the US CP program will be issued at a discount. The obligations of RCI under the US CP program are unsecured and guaranteed by RCCI, and rank equally in right of payment with all our senior notes and debentures. See “Financial Condition” for more information.

Concurrent with our US CP issuances and non-revolving credit facility borrowings, we entered into debt derivatives to hedge the foreign currency risk associated with the principal and interest components of the borrowings. See “Financial Risk Management” for more information.

In November 2023, we entered into three non-revolving credit facilities with an aggregate limit of \$2 billion. In December 2023, we terminated two of these credit facilities and reduced the amount available from \$2 billion to \$500 million. The remaining facility can be drawn until June 2024 and will mature one year after we draw. Any drawings on this facility will be recognized as short-term borrowings on our Consolidated Statements of Financial Position. Borrowings under this facility will be unsecured, guaranteed by RCCI, and will rank equally in right of payment with all of our other credit facilities and senior notes and debentures. We have not yet drawn on this facility.

In December 2022, we entered into non-revolving credit facilities with an aggregate limit of \$1 billion, including \$375 million

maturing in December 2023, \$375 million maturing in January 2024, and \$250 million maturing one year from when it was drawn. Any borrowings under these facilities were recorded as "short-term borrowings" as they were due within 12 months. Borrowings under the facilities were unsecured, guaranteed by RCCI, and ranked equally in right of payment with all of our senior notes and debentures.

In December 2022, we borrowed \$375 million and in the first quarter of 2023, we borrowed US\$459 million such that we were fully drawn on the facilities. In September and October 2023, we repaid and terminated all the facilities.

Long-term debt

Our long-term debt consists of amounts outstanding under our bank and letter of credit facilities and the senior notes, debentures, and subordinated notes we have issued. The tables below summarize the activity relating to our long-term debt for the years ended December 31, 2023 and 2022.

(In millions of dollars, except exchange rates)	Year ended December 31, 2023			Year ended December 31, 2022		
	Notional (US\$)	Exchange rate	Notional (Cdn\$)	Notional (US\$)	Exchange rate	Notional (Cdn\$)
Credit facility borrowings (US\$)	220	1.368	301	-	-	-
Credit facility repayments (US\$)	(220)	1.336	(294)	-	-	-
Net borrowings under credit facilities			7			-
Term loan facility net borrowings (US\$) ¹	4,506	1.350	6,082	-	-	-
Term loan facility net repayments (US\$)	(1,265)	1.340	(1,695)	-	-	-
Net borrowings under term loan facility			4,387			-
Senior note issuances (Cdn\$)			3,000			4,250
Senior note issuances (US\$)	-	-	-	7,050	1.284	9,054
Total senior note issuances			3,000			13,304
Senior note repayments (Cdn\$)			(500)			(600)
Senior note repayments (US\$)	(1,350)	1.373	(1,854)	(750)	1.259	(944)
Total senior note repayments			(2,354)			(1,544)
Net issuance of senior notes			646			11,760
Subordinated note issuances (US\$)	-	-	-	750	1.268	951
Net issuance of subordinated notes			-			951
Net issuance of long-term debt			5,040			12,711

¹ Borrowings under our term loan facility mature and are reissued regularly, such that until repaid, we maintain net outstanding borrowings equivalent to the then-current credit limit on the reissue dates.

(In millions of dollars)	Years ended December 31	
	2023	2022
Long-term debt net of transaction costs, beginning of year	31,733	18,688
Net issuance of long-term debt	5,040	12,711
Long-term debt assumed through the Shaw Transaction	4,526	-
(Gain) loss on foreign exchange	(549)	1,271
Deferred transaction costs incurred	(31)	(988)
Amortization of deferred transaction costs	136	51
Long-term debt net of transaction costs, end of year	40,855	31,733

In April 2023, we drew the maximum \$6 billion on the term loan facility to partially fund the Shaw Transaction, consisting of \$2 billion from each of the three tranches. The three tranches mature on April 3, 2026, 2027, and 2028, respectively. During the year, we subsequently repaid \$1.6 billion of the tranche maturing in 2027, such that the credit limit for the facility had been reduced to \$4.4 billion as at December 31, 2023. In February 2024, we used the proceeds from the issuance of US\$2.5 billion of senior notes (see "Issuance of senior and subordinated notes and related debt derivatives" below) to repay an additional \$3.4 billion of the facility such that only \$1 billion remains outstanding under the April 2026 tranche.

In April 2023, we also assumed \$4.55 billion principal amount of Shaw's senior notes upon closing the Shaw Transaction, of which \$500 million was subsequently repaid at maturity during the year

and \$500 million was repaid at maturity in January 2024 (see "Repayment of senior notes and related derivative settlements").

In January 2023, we amended our revolving credit facility to further extend the maturity date of the \$3 billion tranche to January 2028, from April 2026, and the \$1 billion tranche to January 2026, from April 2024.

In 2022, we entered into a \$665 million senior unsecured non-revolving credit facility with a fixed 1% interest rate with Canada Infrastructure Bank. The credit facility can only be drawn upon to finance broadband service expansion projects to underserved communities under the Universal Broadband Fund. In 2023, we amended the terms of the facility to, among other things, increase the limit to \$815 million. As at December 31, 2023, we had not drawn on the credit facility.

Issuance of senior and subordinated notes and related debt derivatives

Below is a summary of the senior and subordinated notes that we issued in 2023 and 2022. In 2022, substantially all of the proceeds were recognized as "restricted cash and cash equivalents".

Date issued	Principal amount	Due date	Interest rate	Discount/ premium at issuance	Total gross proceeds ¹ (Cdn\$)	Transaction costs and discounts ² (Cdn\$)	
						Upon issuance	Upon modification ³
<i>2023 issuances</i>							
September 21, 2023 (senior)	500	2026	5.650%	99.853%	500	3	n/a
September 21, 2023 (senior)	1,000	2028	5.700%	99.871%	1,000	8	n/a
September 21, 2023 (senior)	500	2030	5.800%	99.932%	500	4	n/a
September 21, 2023 (senior)	1,000	2033	5.900%	99.441%	1,000	12	n/a
<i>2022 issuances</i>							
February 11, 2022 (subordinated) ⁴	US 750	2082	5.250%	At par	951	13	n/a
March 11, 2022 (senior) ⁵	US 1,000	2025	2.950%	99.934%	1,283	9	50
March 11, 2022 (senior)	1,250	2025	3.100%	99.924%	1,250	7	n/a
March 11, 2022 (senior)	US 1,300	2027	3.200%	99.991%	1,674	13	82
March 11, 2022 (senior)	1,000	2029	3.750%	99.891%	1,000	7	57
March 11, 2022 (senior)	US 2,000	2032	3.800%	99.777%	2,567	27	165
March 11, 2022 (senior)	1,000	2032	4.250%	99.987%	1,000	6	58
March 11, 2022 (senior)	US 750	2042	4.500%	98.997%	966	20	95
March 11, 2022 (senior)	US 2,000	2052	4.550%	98.917%	2,564	55	250
March 11, 2022 (senior)	1,000	2052	5.250%	99.483%	1,000	12	62

¹ Gross proceeds before transaction costs, discounts, and premiums.

² Transaction costs, discounts, and premiums are included as deferred transaction costs and discounts in the carrying value of the long-term debt, and recognized in net income using the effective interest method.

³ Accounted for as a modification of the respective financial liabilities. Reflects initial consent fee of \$557 million incurred in September 2022 and additional consent fee of \$262 million incurred in December 2022.

⁴ Deferred transaction costs and discounts in the carrying value of the subordinated notes are recognized in net income using the effective interest method over a five-year period. The subordinated notes due 2082 can be redeemed at par on March 15, 2027 or on any subsequent interest payment date.

⁵ The US\$1 billion senior notes due 2025 can be redeemed at par on or after March 15, 2023.

Concurrent with the US dollar-denominated issuances, we entered into debt derivatives to convert all interest and principal payment obligations on the senior notes to Canadian dollars at a fixed interest rate. See "Financial Risk Management" for more information.

The issued senior and subordinated notes are unsecured and guaranteed by RCCI, ranking equally with all of our other unsecured senior notes and debentures, subordinated notes, bank credit facilities, and letter of credit facilities.

2023

In July 2023, we completed an offer to exchange the US\$7.05 billion of senior notes (Restricted Notes), which were issued pursuant to an exemption from the registration requirements of the Securities Act of 1933, as amended (Securities

Act), for an equal principal amount of new notes registered under the Securities Act (Exchange Notes). The terms of the Exchange Notes are substantially identical to the terms of the corresponding Restricted Notes, except that the Exchange Notes are registered under the Securities Act and the transfer restrictions, registration rights, and additional interest provisions applicable to the Restricted Notes do not apply to the Exchange Notes. The Exchange Notes represent the same debt as the Restricted Notes and they were issued under the same indenture that governed the applicable series of Restricted Notes.

In September 2023, we issued senior notes with an aggregate principal amount of \$3 billion. As a result, we received net proceeds of \$2.98 billion which we used for general corporate purposes, including the repayment of outstanding debt.

In February 2024, we issued senior notes with an aggregate principal amount of US\$2.5 billion, consisting of US\$1.25 billion of 5.00% senior notes due 2029 and US\$1.25 billion of 5.30% senior notes due 2034. Concurrent with the issuance, we also entered into debt derivatives to convert all interest and principal payment obligations to Canadian dollars. As a result, we received net proceeds of US\$2.46 billion (\$3.32 billion).

2022

In February 2022, we issued US\$750 million subordinated notes due 2082 with an initial coupon of 5.25% for the first five years. Concurrently, we terminated \$950 million of interest rate derivatives entered into in 2021 to hedge the interest rate risk associated with future debt issuances. We received net proceeds of US\$740 million (\$938 million) from the issuance.

In March 2022, we issued \$13.3 billion of senior notes, consisting of US\$7.05 billion (\$9.05 billion) and \$4.25 billion (Shaw senior note financing), in order to partially finance the cash consideration for the Shaw Transaction (see "Shaw Transaction"). These senior notes (except the \$1.25 billion senior notes due 2025) contained a "special mandatory redemption" provision (SMR notes), which initially required them to be redeemed at 101% of principal amount (plus accrued interest) if the Shaw Transaction was not consummated prior to December 31, 2022 (SMR outside date).

In August 2022, we received consent from the note holders of the SMR notes, and paid an initial consent fee of \$557 million (including directly attributable transaction costs), to extend the SMR outside date to December 31, 2023. Because the Shaw Transaction had not yet been consummated by December 31, 2022, and we had not become obligated to complete a special mandatory redemption, we were required to pay \$262 million (\$55 million and US\$152 million) of additional consent fees to the holders of the SMR notes in January 2023.

Concurrent with the Shaw senior note financing, we terminated US\$2 billion of interest rate swap derivatives, \$500 million of bond forwards, and \$2.3 billion of interest rate swap derivatives entered into in 2021 to hedge the interest rate risk associated with future debt issuances. Concurrent with the US dollar-denominated issuances, we also entered into debt derivatives to convert all interest and principal payment obligations to Canadian dollars. As a result, we received net proceeds of US\$6.95 billion (\$8.93 billion) from the US dollar-denominated issuances.

The subordinated notes can be redeemed at par on their five-year anniversary or on any subsequent interest payment date. The subordinated notes are unsecured and subordinated obligations of RCI. Payment on these notes will, under certain circumstances, be subordinated to the prior payment in full of all of our senior indebtedness, including our senior notes, debentures, and bank credit facilities. In addition, upon the occurrence of certain events involving a bankruptcy or insolvency of RCI, the outstanding principal and interest of such subordinated notes would automatically convert into preferred shares. We understand that S&P Global Ratings Services (S&P), Moody's Investors Service (Moody's), Fitch Ratings (Fitch), and DBRS Morningstar will only include 50% of the outstanding principal amount of these subordinated notes in their leverage ratio calculation for at least the first five years after their issuance.

Repayment of senior notes and related derivative settlements

In January 2024, we repaid the entire outstanding principal of our \$500 million 4.35% senior notes at maturity. There were no derivatives associated with these senior notes.

This year, we repaid the entire outstanding principal of our \$500 million 3.80% senior notes, which were assumed in the Shaw Transaction, at maturity. There were no derivatives associated with these senior notes. In addition, we repaid the entire outstanding principal of our US\$850 million 4.10% senior notes and our US\$500 million 3.00% senior notes, including the associated debt derivatives, at maturity. As a result, we repaid \$2,188 million, net of \$522 million received on settlement of the associated debt derivatives.

During the year ended December 31, 2022, we repaid the entire outstanding principal amount of our \$600 million 4.00% senior notes at maturity. There were no derivatives associated with these senior notes. We also repaid the entire outstanding principal amount of our US\$750 million floating rate senior notes and the associated debt derivatives at maturity. As a result, we repaid \$1,019 million, including \$75 million on settlement of the associated debt derivatives.

Dividends

In 2023, we declared and paid dividends on each of RCI's outstanding Class A Shares and Class B Non-Voting Shares. We paid \$960 million in cash dividends and issued \$74 million in Class B Non-Voting Shares to settle the declared dividends. See "Dividends and Share Information" for more information.

Shelf prospectuses

We had two shelf prospectuses that qualified the offering of debt securities from time to time. One shelf prospectus qualified the public offering of up to \$4 billion of our debt securities in each of the provinces of Canada (Canadian Shelf) and the other shelf prospectus (contained in a registration statement filed with the U.S. Securities and Exchange Commission) registered under the U.S. Securities Act the public offering of up to US\$4 billion of our debt securities in the United States and Ontario (US Shelf). Both the Canadian Shelf and the US Shelf expired in May 2022.

On July 26, 2023 we filed a registration statement (containing a shelf prospectus) with the U.S. Securities and Exchange Commission that registers under the U.S. Securities Act the public offering of up to US\$8 billion of debt securities and preferred shares from time to time. We have issued US\$2.5 billion aggregate principal amount of senior debt securities under this shelf registration statement, which expires in August 2025.

FREE CASH FLOW

(In millions of dollars)	Years ended December 31		
	2023	2022	% Chg
Adjusted EBITDA	8,581	6,393	34
Deduct (add):			
Capital expenditures ¹	3,934	3,075	28
Interest on borrowings, net of capitalized interest	1,794	1,090	65
Cash income taxes ²	439	455	(4)
Free cash flow	2,414	1,773	36

¹ Includes additions to property, plant and equipment net of proceeds on disposition and, but does not include expenditures for spectrum licences, additions to right-of-use assets, or assets acquired through business combinations.

² Cash income taxes are net of refunds received.

The 36% increase in free cash flow this year was primarily a result of higher adjusted EBITDA, partially offset by higher capital expenditures and higher interest on borrowings associated with the Shaw Transaction.

FINANCIAL CONDITION

AVAILABLE LIQUIDITY

Below is a summary of our total available liquidity from our cash and cash equivalents, bank credit facilities, letters of credit facilities, and short-term borrowings.

As at December 31, 2023 (In millions of dollars)	Total sources	Drawn	Letters of credit	US CP program ¹	Net available
Cash and cash equivalents	800	-	-	-	800
Bank credit facilities ² :					
Revolving	4,000	-	10	151	3,839
Non-revolving	500	-	-	-	500
Outstanding letters of credit	243	-	243	-	-
Receivables securitization ²	2,400	1,600	-	-	800
Total	7,943	1,600	253	151	5,939

¹ The US CP program amounts are gross of the discount on issuance.

² The total liquidity sources under our bank credit facilities and receivables securitization represents the total credit limits per the relevant agreements. The amount drawn and letters of credit are currently outstanding under those agreements.

As at December 31, 2022 (In millions of dollars)	Total sources	Drawn	Letters of credit	US CP program ¹	Net available
Cash and cash equivalents	463	-	-	-	463
Bank credit facilities ² :					
Revolving	4,000	-	8	215	3,777
Non-revolving	1,000	375	-	-	625
Outstanding letters of credit	75	-	75	-	-
Receivables securitization ²	2,400	2,400	-	-	-
Total	7,938	2,775	83	215	4,865

¹ The US CP program amounts are gross of the discount on issuance.

² The total liquidity sources under our bank credit facilities and receivables securitization represents the total credit limits per the relevant agreements. The amount drawn and letters of credit are currently outstanding under those agreements.

Our term loan facility that had an initial credit limit of \$6 billion related to the Shaw Transaction is not included in available liquidity as we could only draw on that facility to partially fund the Shaw Transaction and the facility is fully drawn. Our Canada Infrastructure Bank credit agreement is not included in available liquidity as it can only be drawn upon for use in broadband projects under the Universal Broadband Fund, and therefore is not available for other general purposes.

Weighted average cost of borrowings

Our borrowings had a weighted average cost of 4.85% as at December 31, 2023 (2022 - 4.50%) and a weighted average term

to maturity of 10.4 years (2022 - 11.8 years). These figures reflect the repayment of our subordinated notes on the five-year anniversary.

COVENANTS

The provisions of our \$4.0 billion revolving bank credit facility described in "Sources and Uses of Cash" impose certain restrictions on our operations and activities, the most significant of which are leverage-related maintenance tests. As at December 31, 2023 and 2022, we were in compliance with all financial covenants, financial ratios, and all of the terms and conditions of our debt agreements. Throughout 2023, these covenants did not impose restrictions of any material consequence on our operations.

CREDIT RATINGS

Credit ratings provide an independent measure of credit quality of an issue of securities and can affect our ability to obtain short-term and long-term financing and the terms of the financing. If rating agencies lower the credit ratings on our debt, particularly a downgrade below investment-grade, it could adversely affect our cost of financing and access to liquidity and capital.

We have engaged each of S&P, Moody's, Fitch, and DBRS Morningstar to rate certain of our public debt issues. Below is a summary of the credit ratings on RCI's outstanding senior and subordinated notes and debentures (long-term) and US CP (short-term) as at December 31, 2023.

Issuance	S&P Global Ratings Services	Moody's	Fitch	DBRS Morningstar
Corporate credit issuer default rating	BBB- (outlook negative)	Baa3 (stable)	BBB- (stable)	BBB (low) (stable)
Senior unsecured debt	BBB- (outlook negative)	Baa3 (stable)	BBB- (stable)	BBB (low) (stable)
Subordinated debt	BB (outlook negative)	Ba2 (stable)	BB (stable)	N/A ¹
US commercial paper	A-3	P-3	N/A ¹	N/A ¹

¹ We have not sought a rating from Fitch or DBRS Morningstar for our short-term obligations or from DBRS Morningstar for our subordinated debt

In February 2024, S&P increased our corporate credit issuer default rating and our senior unsecured debt rating to BBB- (outlook stable). At the same time, S&P also increased our subordinated debt rating to BB (outlook stable).

Ratings for long-term debt instruments across the universe of composite rates range from AAA (S&P, Fitch, and DBRS Morningstar) or Aaa (Moody's), representing the highest quality of securities rated, to D (S&P and DBRS Morningstar), Substantial Risk (Fitch), and C (Moody's) for the lowest quality of securities rated. Investment-grade credit ratings are generally considered to range from BBB- (S&P and Fitch), BBB (DBRS Morningstar), or Baa3 (Moody's) to AAA (S&P, Fitch, and DBRS Morningstar) or Aaa (Moody's).

Ratings for short-term debt instruments across the universe of composite rates ranges from A-1+ (S&P) or P-1 (Moody's),

representing the highest quality of securities rated, to C (S&P), and not prime (Moody's) for the lowest quality of securities rated. Investment-grade credit ratings are generally considered to be ratings of at least A-3 (S&P), or P-3 (Moody's) quality or higher.

Credit ratings are not recommendations to purchase, hold, or sell securities, nor are they a comment on market price or investor suitability. There is no assurance that a rating will remain in effect for a given period, or that a rating will not be revised or withdrawn entirely by a rating agency if it believes circumstances warrant it. The ratings on our senior debt provided by S&P, Fitch, Moody's, and DBRS Morningstar are investment-grade ratings.

ADJUSTED NET DEBT AND DEBT LEVERAGE RATIOS

We use adjusted net debt and debt leverage ratio to conduct valuation-related analysis and make capital structure-related decisions. Adjusted net debt includes long-term debt, net debt derivative assets or liabilities, short-term borrowings, lease liabilities, net of cash and cash equivalents or bank advances, and restricted cash and cash equivalents.

(In millions of dollars, except ratios)	As at	As at
	December 31	December 31
	2023	2022
Current portion of long-term debt	1,100	1,828
Long-term debt	39,755	29,905
Deferred transaction costs and discounts	1,040	1,122
	41,895	32,855
Add (deduct):		
Adjustment of US dollar-denominated debt to hedged rate ¹	(808)	(1,876)
Subordinated notes adjustment ²	(1,496)	(1,508)
Short-term borrowings	1,750	2,985
Current portion of lease liabilities	504	362
Lease liabilities	2,089	1,666
Cash and cash equivalents	(800)	(463)
Restricted cash and cash equivalents ³	-	(12,837)
Adjusted net debt ^{1,4}	43,134	21,184
Divided by: trailing 12-month adjusted EBITDA	8,581	6,393
Debt leverage ratio	5.0	3.3
Divided by: pro forma trailing 12-month adjusted EBITDA ⁴	9,095	
Pro forma debt leverage ratio	4.7	

¹ During 2023, we amended our calculation of adjusted net debt such that we include our US dollar-denominated debt at the hedged foreign exchange rate. Our US dollar-denominated debt is 100% hedged and we believe this presentation is better representative of the economic obligations on this debt. Previously, our calculation of adjusted net debt had included a current fair market value of the net debt derivative assets.

² For the purposes of calculating adjusted net debt and debt leverage ratio, we believe adjusting 50% of the value of our subordinated notes is appropriate as this methodology factors in certain circumstances with respect to priority for payment and this approach is commonly used to evaluate debt leverage by rating agencies.

³ For the purposes of calculating adjusted net debt prior to closing the Shaw Transaction, we deducted our restricted cash and cash equivalents as these funds were raised solely to fund a portion of the cash consideration of the Shaw Transaction or, if the Shaw Transaction was not consummated, were to have been used to redeem the applicable senior notes excluding any premium. We therefore believe including only the underlying senior notes would not represent our view of adjusted net debt prior to the consummation of the Shaw Transaction or the redemption of the senior notes.

⁴ Adjusted net debt is a capital management measure. Pro forma trailing 12-month adjusted EBITDA is a non-GAAP financial measure. These are not standardized financial measures under IFRS and might not be comparable to similar financial measures disclosed by other companies. See "Non-GAAP and Other Financial Measures" for more information about these measures.

Trailing 12-month adjusted EBITDA reflects the combined results of Rogers including Shaw for the period since the Shaw Transaction closed in April 2023 to December 2023 and standalone Rogers results prior to April 2023. To illustrate the results of a combined Rogers and Shaw as if the Shaw Transaction had closed at the beginning of the trailing 12-month period, we have also disclosed a pro forma trailing 12-month adjusted EBITDA and pro forma debt leverage ratio. Pro forma adjusted EBITDA incorporates an amount representing the results of Shaw's adjusted EBITDA, adjusted to conform to Rogers' accounting policies, for the three months beginning January 1, 2023.

These pro forma metrics are presented for illustrative purposes only and do not purport to reflect what the combined company's actual operating results or financial condition would have been had the Shaw Transaction occurred on the date indicated, nor do they purport to project our future financial position or operating results and should not be taken as representative of our future financial position or consolidated operating results.

As a result of the significant debt we issued to finance the Shaw Transaction, and as planned when the Shaw Transaction was first announced, our debt leverage ratio increased. As at December 31,

2023 our debt leverage ratio was 5.0 (2022 - 3.3) and our pro forma debt leverage ratio was 4.7. In order to meet our stated objective of returning our debt leverage ratio to approximately 3.5 within 36 months of closing the Shaw Transaction, we intend to manage our debt leverage ratio through combined operational synergies, organic growth in adjusted EBITDA, proceeds from asset sales, and debt repayment, as applicable.

Our adjusted net debt increased by \$21,950 million from December 31, 2022 as a result of:

- an increase in long-term debt related to closing the Shaw Transaction; and
- an increase in long-term debt from senior note issuances; partially offset by
- a decrease in short-term borrowings from our receivables securitization program; and
- a decrease in our restricted cash position, as that cash was used to partially fund the Shaw Transaction.

See "Overview of Financial Position" for more information.

PENSION OBLIGATIONS

Our defined benefit pension plans were in a net asset position of approximately \$76 million as at December 31, 2023 (2022 - net asset position of \$298 million). During 2023, our net deferred pension asset decreased by \$222 million primarily as a result of

changes in certain financial assumptions underlying the value of the defined benefit obligation.

We made a total of \$19 million (2022 - \$134 million) of contributions to our funded defined benefit pension plans this year. We expect our total estimated funding requirements for our funded defined benefit pension plans to be \$9 million in 2024 and to be adjusted annually thereafter based on various market factors, such as interest rates, expected returns, and staffing assumptions.

Changes in factors such as the discount rate, participation rates, increases in compensation, and the expected return on plan assets can affect the accrued benefit obligation, pension expense, and the deficiency of plan assets over accrued obligations in the future. See "Accounting Policies" for more information.

Pension plans purchase of annuities

This year, our defined benefit pension plans purchased approximately \$737 million of annuities from an insurance company for substantially all the retired members in the plans. The aggregate premium for the annuities was funded by selling a corresponding amount of existing assets from the plans. The purchase of the annuities relieves us of primary responsibility for, and eliminates risk associated with, the accrued benefit obligation for the retired members. There was no significant impact to our results this year related to the annuity purchase.

FINANCIAL RISK MANAGEMENT

We use derivative instruments to manage risks related to our business activities, summarized as follows:

Derivative	The risk they manage	Types of derivative instruments
Debt derivatives	Impact of fluctuations in foreign exchange rates on principal and interest payments for US dollar-denominated senior and subordinated notes and debentures, credit facility borrowings, commercial paper borrowings, and certain lease liabilities	Cross-currency interest rate exchange agreements Forward cross-currency interest rate exchange agreements Forward foreign exchange agreements
Interest rate derivatives	Impact of fluctuations in market interest rates on forecast interest payments for expected long-term debt	Forward interest rate agreements Interest rate swap agreements Bond forwards
Expenditure derivatives	Impact of fluctuations in foreign exchange rates on forecast US dollar-denominated expenditures	Forward foreign exchange agreements and foreign exchange option agreements
Equity derivatives	Impact of fluctuations in share price of our Class B Non-Voting Shares on stock-based compensation expense	Total return swap agreements

We also manage our exposure to fixed and fluctuating interest rates and we have fixed the interest rate on 85.6% (2022 - 91.2%) of our debt, including short-term borrowings, as at December 31, 2023.

DEBT DERIVATIVES

We use cross-currency interest rate agreements and forward foreign exchange agreements (collectively, debt derivatives) to manage risks from fluctuations in foreign exchange rates and interest rates associated with our US dollar-denominated senior notes, debentures, subordinated notes, lease liabilities, credit facility borrowings, and US CP borrowings. We typically designate the debt derivatives related to our senior notes, debentures, subordinated notes, and lease liabilities as hedges for accounting purposes against the foreign exchange risk or interest rate risk associated with specific issued and forecast debt instruments. Debt derivatives related to our credit facility and US CP borrowings have not been designated as hedges for accounting purposes.

Issuance of debt derivatives related to senior notes

We did not enter into any debt derivatives related to senior or subordinated notes issued in 2023. Below is a summary of the debt derivatives we entered into related to senior and subordinated notes in 2022.

(In millions of dollars, except for coupon and interest rates)	US\$			Hedging effect	
	Principal/Notional amount (US\$)	Maturity date	Coupon rate	Fixed hedged (Cdn\$) interest rate ¹	Equivalent (Cdn\$)
<i>2022 issuances</i>					
February 11, 2022	750	2082	5.250%	5.635%	951
March 11, 2022 ²	1,000	2025	2.950%	2.451%	1,334
March 11, 2022	1,300	2027	3.200%	3.413%	1,674
March 11, 2022	2,000	2032	3.800%	4.232%	2,567
March 11, 2022	750	2042	4.500%	5.178%	966
March 11, 2022	2,000	2052	4.550%	5.305%	2,564

¹ Converting from a fixed US\$ coupon rate to a weighted average Cdn\$ fixed rate.

Settlement of debt derivatives related to senior notes

In October 2023, we repaid the entire outstanding principal amount of our US\$850 million 4.10% senior notes and the associated debt derivatives at maturity, resulting in \$288 million received on settlement of the associated debt derivatives.

In March 2023, we repaid the entire outstanding principal amount of our US\$500 million 3.00% senior notes and the associated debt derivatives at maturity, resulting in \$174 million received on settlement of the associated debt derivatives.

In March 2023, we settled the derivatives associated with our US\$1 billion senior notes due 2025, which were not designated as hedges for accounting purposes. We subsequently entered into new derivatives associated with our US\$1 billion senior notes due 2025; these derivatives are designated as hedges for accounting purposes. We received net \$60 million relating to these transactions.

In 2022, in connection with the issuance of the US\$2 billion senior notes due 2052, we terminated US\$2 billion notional amount of forward starting cross-currency swaps and received \$43 million upon settlement. As at December 31, 2023, we had no forward starting cross-currency swaps outstanding (2022 – nil).

As at December 31, 2023, we had US\$14,750 million of US dollar-denominated senior notes, debentures, and subordinated notes, all of which were hedged using debt derivatives.

(In millions of dollars, except exchange rates, percentages, and years)	As at December 31	
	2023	2022
US dollar-denominated long-term debt ¹	US\$ 14,750	US\$ 16,100
Hedged with debt derivatives	US\$ 14,750	US\$ 16,100
Hedged exchange rate	1.2594	1.2365
Percent hedged	100.0%	100.0%
Amount of borrowings at fixed rates ²		
Total borrowings	\$ 42,813	\$ 33,948
Total borrowings at fixed rates	\$ 36,677	\$ 30,958
Percent of borrowings at fixed rates	85.7%	91.2%
Weighted average interest rate on borrowings	4.85%	4.50%
Weighted average term to maturity	10.4 years	11.8 years

¹ US dollar-denominated long-term debt reflects the hedged exchange rate and the hedged interest rate.

² Borrowings include long-term debt, including the impact of debt derivatives, and short-term borrowings associated with our US CP program, receivables securitization program, and non-revolving credit facilities.

Debt derivatives related to credit facilities and US CP

During the year, we entered into debt derivatives related to our credit facility and US CP borrowings as a result of a favourable interest rate spread obtained from borrowing funds in US dollars. We used these derivatives to offset the foreign exchange and interest rate risk on our US dollar-denominated credit facility and commercial paper borrowings.

Below is a summary of the debt derivatives we entered and settled related to our credit facility borrowings and US CP program during 2023 and 2022.

(In millions of dollars, except exchange rates)	Year ended December 31, 2023			Year ended December 31, 2022		
	Notional (US\$)	Exchange rate	Notional (Cdn\$)	Notional (US\$)	Exchange rate	Notional (Cdn\$)
<i>Credit facilities</i>						
Debt derivatives entered	38,205	1.348	51,517	-	-	-
Debt derivatives settled	34,964	1.348	47,126	400	1.268	507
Net cash (paid) received on settlement			(10)			9
<i>US commercial paper program</i>						
Debt derivatives entered	1,803	1.357	2,447	6,745	1.302	8,781
Debt derivatives settled	1,848	1.345	2,486	7,292	1.306	9,522
Net cash (paid) received on settlement			(20)			64

Lease liabilities

Below is a summary of the debt derivatives we entered and settled related to our outstanding lease liabilities during 2023 and 2022.

(In millions of dollars, except exchange rates)	Year ended December 31, 2023			Year ended December 31, 2022		
	Notional (US\$)	Exchange rate	Notional (Cdn\$)	Notional (US\$)	Exchange rate	Notional (Cdn\$)
Debt derivatives entered	274	1.336	366	156	1.321	206
Debt derivatives settled	142	1.310	186	124	1.306	162

As at December 31, 2023, we had US\$357 million notional amount of debt derivatives outstanding related to our outstanding lease liabilities (2022 - US\$225 million) with terms to maturity ranging from January 2024 to December 2026 (2022 - January 2023 to December 2025), at an average rate of \$1.329/US\$ (2022 - \$1.306/US\$).

INTEREST RATE DERIVATIVES

From time to time, we use bond forward derivatives or interest rate swap derivatives (collectively, interest rate derivatives) to hedge interest rate risk on current and future debt instruments. Our interest rate derivatives are designated as hedges for accounting purposes.

Concurrent with our issuance of US\$750 million subordinated notes in February 2022, we terminated \$950 million of interest rate swap derivatives and received \$33 million upon settlement.

Concurrent with our issuance of US\$7.05 billion (\$9.05 billion) and \$4.25 billion senior notes in March 2022, we terminated:

- US\$2 billion of interest rate swap derivatives and paid US\$129 million (\$165 million) upon settlement; and
- \$500 million of bond forwards and \$2.3 billion of interest rate swap derivatives and received \$80 million upon settlement.

As at December 31, 2023, we had no interest rate derivatives outstanding.

EXPENDITURE DERIVATIVES

We use foreign currency derivative contracts (expenditure derivatives) to hedge the foreign exchange risk on the notional amount of certain forecast US dollar-denominated expenditures. Below is a summary of the expenditure derivatives we entered and settled to manage foreign exchange risk related to certain forecast expenditures.

(In millions of dollars, except exchange rates)	Year ended December 31, 2023			Year ended December 31, 2022		
	Notional (US\$)	Exchange rate	Notional (Cdn\$)	Notional (US\$)	Exchange rate	Notional (Cdn\$)
Expenditure derivatives entered	1,650	1.325	2,187	852	1.251	1,066
Expenditure derivatives acquired	212	1.330	282	-	-	-
Expenditure derivatives settled	1,172	1.262	1,479	960	1.291	1,239

The expenditure derivatives noted above have been designated as hedges for accounting purposes.

As at December 31, 2023, we had US\$1,650 million of expenditure derivatives outstanding (2022 - US\$960 million), at an average rate of \$1.325/US\$ (2022 - \$1.250/US\$), with terms to maturity ranging from January 2024 to December 2025 (2022 - January 2023 to December 2023).

EQUITY DERIVATIVES

We use total return swap agreements (equity derivatives) to hedge the market price appreciation risk of the Class B Non-Voting Shares granted under our stock-based compensation programs. As at December 31, 2023, we had equity derivatives for 6.0 million (2022 - 5.5 million) Class B Non-Voting Shares with a weighted average price of \$54.02 (2022 - \$53.65). These derivatives have not been designated as hedges for accounting purposes. We record changes in their fair value as a stock-based compensation expense, or offset thereto, which serves to offset a substantial portion of the

impact of changes in the market price of Class B Non-Voting Shares on the accrued value of the stock-based compensation liability for our stock-based compensation programs.

In 2023, we entered into 0.5 million equity derivatives (2022 - 0.5 million) with a weighted average price of \$58.14 (2022 - \$59.18).

Additionally, we executed extension agreements for the remainder of our equity derivative contracts under substantially the same commitment terms and conditions with revised expiry dates to April 2024 (from April 2023).

CASH SETTLEMENTS ON DEBT DERIVATIVES AND FORWARD CONTRACTS

Below is a summary of the net proceeds (payments) on settlement of debt derivatives and forward contracts during the years ended December 31, 2023 and 2022.

	Year ended December 31, 2023			Year ended December 31, 2022		
	US\$ settlements	Exchange rate	Cdn\$ settlements	US\$ settlements	Exchange rate	Cdn\$ settlements
(In millions of dollars, except exchange rates)						
Credit facilities			(10)			9
US commercial paper program			(20)			64
Senior and subordinated notes			522			(75)
Forward starting cross-currency swaps			-			43
Interest rate derivatives (Cdn\$)			-			113
Interest rate derivatives (US\$)	-	-	-	(129)	1,279	(165)
Net proceeds (payments) on settlement of debt derivatives and forward contracts			492			(11)

MARK-TO-MARKET VALUE

We record our derivatives using an estimated credit-adjusted, mark-to-market valuation, calculated in accordance with IFRS.

	As at December 31, 2023					As at December 31, 2022			
	Notional amount (US\$)	Exchange rate	Notional amount (Cdn\$)	Fair value (Cdn\$)		(In millions of dollars, except exchange rates)	Notional amount (US\$)	Exchange rate	Notional amount (Cdn\$)
(In millions of dollars, except exchange rates)									
Debt derivatives accounted for as cash flow hedges:					Debt derivatives accounted for as cash flow hedges:				
As assets	4,557	1.1583	5,278	599	As assets	7,834	1.1718	9,180	1,330
As liabilities	10,550	1.3055	13,773	(1,069)	As liabilities	7,491	1.3000	9,738	(414)
Debt derivatives not accounted for as hedges:					Short-term debt derivatives not accounted for as hedges:				
As liabilities	3,354	1.3526	4,537	(101)	As assets	1,173	1.2930	1,517	72
Net mark-to-market debt derivative liability				(571)	Net mark-to-market debt derivative asset				988
Expenditure derivatives accounted for as cash flow hedges:					Expenditure derivatives accounted for as cash flow hedges:				
As assets	600	1.3147	789	4	As assets	960	1.2500	1,200	94
As liabilities	1,050	1.3315	1,398	(19)	Net mark-to-market expenditure derivative asset				94
Net mark-to-market expenditure derivative liability				(15)	Equity derivatives not accounted for as hedges:				
Equity derivatives not accounted for as hedges:					As assets	-	-	295	54
As assets	-	-	324	48	Net mark-to-market asset				1,136
Net mark-to-market equity derivative asset				48					
Net mark-to-market liability				(538)					

DIVIDENDS AND SHARE INFORMATION

DIVIDENDS

Below is a summary of the dividends that have been declared and paid on RCI's outstanding Class A Shares and Class B Non-Voting Shares.

Declaration date	Record date	Payment date	Dividend per share (dollars)	Dividends paid (in millions of dollars)		
				In cash	In Class B Non-Voting Shares	Total
February 1, 2023	March 10, 2023	April 3, 2023	0.50	252	-	252
April 25, 2023	June 9, 2023	July 5, 2023	0.50	264	-	264
July 25, 2023	September 8, 2023	October 3, 2023	0.50	191	74	265
November 8, 2023	December 8, 2023	January 2, 2024	0.50	190	75	265
January 26, 2022	March 10, 2022	April 1, 2022	0.50	252	-	252
April 19, 2022	June 10, 2022	July 4, 2022	0.50	253	-	253
July 26, 2022	September 9, 2022	October 3, 2022	0.50	253	-	253
November 8, 2022	December 9, 2022	January 3, 2023	0.50	253	-	253

On January 31, 2024, the Board declared a quarterly dividend of \$0.50 per Class A Voting Share and Class B Non-Voting Share, to be paid on April 3, 2024, to shareholders of record on March 11, 2024.

We currently expect that the remaining record and payment dates for the 2024 declaration of dividends will be as follows, subject to the declaration by the Board each quarter at its sole discretion.

Declaration date	Record date	Payment date
April 23, 2024	June 10, 2024	July 5, 2024
July 23, 2024	September 9, 2024	October 3, 2024
October 23, 2024	December 9, 2024	January 3, 2025

As at February 29, 2024, 111,152,011 Class A Shares, 420,112,558 Class B Non-Voting Shares, and 10,434,054 options to purchase Class B Non-Voting Shares were outstanding.

On April 3, 2023, we issued 23.6 million Class B Non-Voting Shares as partial consideration for the Shaw Transaction. On October 3, 2023 and January 2, 2024, we issued 1.5 million and 1.2 million Class B Non-Voting Shares, respectively, as partial settlement of the dividends payable on those dates under the terms of our dividend reinvestment plan.

We use the weighted average number of shares outstanding to calculate earnings per share and adjusted earnings per share.

OUTSTANDING COMMON SHARES

	As at December 31	
	2023	2022
Common shares outstanding ¹		
Class A Voting	111,152,011	111,152,011
Class B Non-Voting	418,868,891	393,773,306
Total common shares	530,020,902	504,925,317
Options to purchase Class B Non-Voting Shares		
Outstanding options	10,593,645	9,860,208
Outstanding options exercisable	4,749,678	3,440,894

¹ Holders of our Class B Non-Voting Shares are entitled to receive notice of and to attend shareholder meetings; however, they are not entitled to vote at these meetings except as required by law or stipulated by stock exchanges. If an offer is made to purchase outstanding Class A Shares, there is no requirement under applicable law or our constating documents that an offer be made for the outstanding Class B Non-Voting Shares, and there is no other protection available to shareholders under our constating documents. If an offer is made to purchase both classes of shares, the offer for the Class A Shares may be made on different terms than the offer to the holders of Class B Non-Voting Shares.

(Number of shares in millions)	Years ended December 31	
	2023	2022
Basic weighted average number of shares outstanding	523	505
Diluted weighted average number of shares outstanding	524	506

PREFERRED SHARES

In relation to our issuances of subordinated notes in December 2021 and February 2022, the Board approved the creation of new Series I and Series II preferred shares, respectively. Series I has been authorized for up to 3.3 million preferred shares and Series II has been authorized for up to 1.4 million preferred shares. Both series have no voting rights, par values of \$1,000 per share, and will be issued automatically upon the occurrence of certain events involving a bankruptcy or insolvency of RCI to holders of the respective subordinated notes.

COMMITMENTS AND CONTRACTUAL OBLIGATIONS

CONTRACTUAL OBLIGATIONS

Below is a summary of our obligations under firm contractual arrangements as at December 31, 2023. See notes 4, 19, and 30 to our 2023 Audited Consolidated Financial Statements for more information. In addition to the below, our share of commitments relating to associates and joint ventures is \$306 million.

(In millions of dollars)	Less than 1 Year	1-3 Years	4-5 Years	After 5 Years	Total
Short-term borrowings	1,750	-	-	-	1,750
Accounts payable and accrued liabilities	4,221	-	-	-	4,221
Long-term debt ^{1,2}	1,100	8,607	8,351	23,837	41,895
Net interest payments	2,049	3,784	2,608	14,201	22,642
Lease liabilities	504	1,002	405	1,372	3,283
Debt derivative instruments ³	-	43	(86)	(886)	(929)
Expenditure derivative instruments ³	4	1	-	-	5
Player contracts ⁴	181	241	64	-	486
Purchase obligations ⁵	559	448	187	265	1,459
Property, plant and equipment	168	93	2	-	263
Intangible assets ⁷	475	-	-	-	475
Program rights ⁶	734	1,000	173	60	1,967
Other long-term liabilities	1	2	42	4	49
Total	11,746	15,221	11,746	38,853	77,566

¹ Principal obligations of long-term debt (including current portion) due at maturity.

² Reflects repayment of the subordinated notes issued in December 2021 and February 2022 on the five-year anniversary.

³ Net (receipts) disbursements due at maturity. US dollar amounts have been translated into Canadian dollars at the Bank of Canada year-end rate.

⁴ Toronto Blue Jays players' salary contracts into which we have entered and are contractually obligated to pay.

⁵ Contractual obligations under service, product, and wireless device contracts to which we have committed.

⁶ Agreements into which we have entered to acquire broadcasting rights for sports broadcasting programs and films for periods in excess of one year at contract inception.

⁷ Relates to 3800 MHz spectrum licences won at auction in late 2023, \$95 million of which was paid in January 2024.

OFF-BALANCE SHEET ARRANGEMENTS

GUARANTEES

As a regular part of our business, we enter into agreements that provide for indemnification and guarantees to counterparties in transactions involving business sale and business combination agreements, sales of services, and purchases and development of assets. Due to the nature of these indemnifications, we are unable to make a reasonable estimate of the maximum potential amount we could be required to pay counterparties. Historically, we have not made any significant payment under these indemnifications or guarantees. See note 29 to our 2023 Audited Consolidated Financial Statements.

Sustainability and Social Impact

We are a national company with a strong legacy of investing in the future of Canada. We are committed to making a meaningful impact through investments to improve digital access for all Canadians, to help the next generation achieve their highest potential, to take action on climate change, to deliver for our customers, and to empower our team to give back to communities. More detail about our environmental and social impact efforts and results is included in our Sustainability and Social Impact report within our 2023 Annual Report.

MATERIALITY ASSESSMENT

During 2023, we undertook an extensive stakeholder engagement exercise with both internal and external stakeholders to identify the topics they believe to be most important to our business, prioritized based on their perceptions of our ability to have an impact on each topic. To complete the materiality assessment, we completed three primary workstreams.

First, we engaged with key internal and external stakeholders through surveys, interviews, and sector insights reports to identify our top material sustainability and social impact topics across our value chain and time horizons. Stakeholder inputs were considered in terms of level of influence on our strategy and their readiness to engage with us. Stakeholders with whom we engaged included:

- the Board, our executives, and our employees;
- customers;
- shareholders;
- suppliers;
- Indigenous communities;

- government, regulatory, and industry groups; and
- non-governmental organizations and partners.

Second, we assessed the materiality and likelihood of actual and potential impacts for each material topic to prioritize amongst them, in line with our enterprise risk management framework.

Finally, we developed a materiality matrix that combined stakeholder sentiment with the perceived prioritization of material sustainability and social impact enablers to inform our management approach for each topic.

MATERIAL TOPICS

Supported by our foundational practices (see “Our Strategy, Key Performance Drivers, and Strategic Highlights”), our four most material sustainability and social impact topics are:

- network leadership and resilience;
- customer relationships;
- data privacy and security; and
- climate change mitigation and adaptation.

By focusing our efforts on these topics, we aim to maximize value for our business, our shareholders, communities, and all other stakeholders to which our operations are connected. We continue to manage the remaining topics through our established engagement processes and operations, all of which undergo regular review and enhancements, to help ensure stakeholder expectations are met and material sustainability and social impact topics are embedded within our business. Each topic and its importance to stakeholders and Rogers is summarized below.

Topic	Description
Network leadership and resilience	Improving our network speed, performance, and coverage enables us to reach more Canadians, connect more rural, remote, and Indigenous communities, diversify our products and services, and meet customer demands. While innovating, it is also critical to build network resilience to safeguard against the effects of extreme weather events, natural disasters, grid disruptions, and technical issues.
Customer relationships	Investing in customer experience improvements and expanding the number of digital and self-serve capability initiatives available to our customers allows us to lower customer wait and resolution times, making the customer experience convenient and cost-effective while also enabling our employees to focus their efforts where it is needed most.
Data privacy and security	Protecting the privacy of information shared by employees, customers, and partners, as well as safeguarding against threats to the security of their data, is a critical area of importance in maintaining trust.
Climate change mitigation and adaptation	Minimizing our impact on the climate through emissions reductions and energy efficiency, while also adapting to a changing climate, helps enable us to be resilient in the face of potential operational and supply chain disruptions and a changing regulatory environment, minimize damages to assets and infrastructure, and align with stakeholder values.
Talent attraction and development	Investing in our employees and the future generation through talent training, coaching, feedback, and development programs helps increase our capacity for innovation while also building employee engagement and retention.
Social impact of products and services	Developing innovative business models and product and services that are aligned to the needs and values of Canadians helps enable us to ensure our business model not only connects Canadians when and where they want, but also generates positive impact and societal value for communities.
Diversity, equity, inclusion, and belonging (DEIB)	Fostering diversity, equity, inclusion, and belonging in our workforce is a catalyst to help strengthen employee engagement, attraction, retention, innovation, creativity, and productivity.
Safety, well-being, and labour relations	Safeguarding the physical and mental health and well-being of our employees, while also strengthening their rights and labour relations, is key to enabling our employees to thrive at work, thereby reducing turnover and minimizing downtime.
Indigenous, community, and socio-economic relations	Supporting the economic resilience and prosperity of equity-deserving communities and small businesses helps contribute to growth in key sectors and creates meaningful jobs for community members. We strive to be the “partner of choice” for local and Indigenous communities and youth, creating cultural relationships and enabling positive social impacts.
Product end-of-life management	Maintaining responsible material stewardship standards assists us in increasing efficiency, lowering our environmental impacts, and engaging stakeholders in digital solutions to transition towards a circular economy by providing cost-effective and convenient ways to upgrade and return used products.

Governance at Rogers

Rogers is a family-founded, family-controlled company and we take pride in our proactive and disciplined approach to ensuring that our governance structure and practices instill confidence in our shareholders.

Voting control of Rogers Communications Inc. is held by the Rogers Control Trust (the Trust), the beneficiaries of which are members of the Rogers family. The Trust holds voting control of RCI for the benefit of successive generations of the Rogers family via the Trust's ownership of 98% of the outstanding Class A Shares of RCI (2022 - 98%). The Rogers family are substantial stakeholders and owned approximately 28% of our equity as at December 31, 2023 (2022 - 29%) through its ownership of a combined total of 147 million (2022 - 147 million) Class A Shares and Class B Non-Voting Shares. As a result, the Trust is able to elect all members of the Board and to control the vote on most matters submitted to shareholders, whether through a shareholder meeting or a written consent resolution.

The Board is currently made up of eleven directors who bring a rich mix of experience as business leaders in North America. Each of our directors is firmly committed to effective governance, strong oversight, and the ongoing creation of shareholder value. The Board as a whole is committed to sound corporate governance and continually reviews its governance practices and benchmarks them against acknowledged leaders and evolving legislation. The Board believes that Rogers' governance system is effective and that there are appropriate structures and procedures in place.

GOVERNANCE BEST PRACTICES

We have adopted many best practices for effective governance, including:

- separating the CEO and Chair roles;
- appointing an independent lead director;
- adopting formal corporate governance policies and charters;
- adopting a code of business conduct and whistleblower hotline;
- establishing director share ownership requirements;
- conducting Board and committee in camera discussions;
- performing annual reviews of Board and Committee performance;
- conducting Audit and Risk Committee meetings with internal and external auditors;
- creating an orientation program for new directors;
- conducting regular Board and committee education sessions;
- empowering committees to retain independent advisors; and
- establishing director material relationship standards.

The Board currently consists of 7 independent directors and 4 non-independent directors.

We comply with all relevant corporate governance guidelines and standards as a Canadian public company listed on the TSX and as a foreign private issuer listed on the NYSE in the US.

BOARD OVERSIGHT

The Board delegates certain responsibilities to its eight standing committees to ensure proper oversight and accountability:

- Audit and Risk Committee - reviews our accounting policies and practices, the integrity of our financial reporting processes and procedures, and the financial statements and other relevant disclosure for release to shareholders and the public. It assists the Board in its oversight of our compliance with legal and regulatory requirements for financial reporting, assesses our accounting and financial control systems, and evaluates the qualifications, independence, and work of our internal and external auditors. It also reviews risk management policies and associated processes used to manage major risk exposures, including relating to cybersecurity.
- Corporate Governance Committee - assists the Board to ensure it has appropriate systems and procedures for carrying out its responsibilities. This committee develops governance policies and practices, recommends them to the Board for approval, and leads the Board in its periodic review of Board and committee performance.
- Nominating Committee - identifies prospective candidates to serve on the Board. Nominated directors can be elected by shareholders at a meeting, appointed by the Board, or appointed by written consent resolution. The committee also recommends nominees for each Board committee, including each committee chair.
- Human Resources Committee - assists the Board in monitoring, reviewing, and approving compensation and benefit policies and practices. It is also responsible for recommending the compensation of senior management and monitoring senior executive succession planning.
- ESG Committee - assists the Board in fulfilling its oversight responsibilities of relevant environmental sustainability, social responsibility, and governance policies, strategies, and programs and the actions we can take to be a responsible corporate citizen.
- Executive Committee - approves the final terms of transactions previously approved by the Board and monitors the implementation of policy initiatives adopted by the Board.
- Finance Committee - reviews our investment strategies, general debt, and equity structure and reports on them to the Board.
- Pension Committee - oversees the administration of our retiree pension plans and reviews the investment performance and provisions of the plans.

Further information regarding our corporate governance practices is available on our Investor Relations website, including:

- a complete statement of our corporate governance practices;
- our codes of conduct and ethics;
- charters for each of the Board's standing committees;
- director biographies; and
- a summary of the differences between the NYSE corporate governance rules that apply to US-based companies and our governance practices as a foreign private issuer listed on the NYSE.

Board of Directors and its Standing Committees

● Chair ○ Member

As at March 5, 2024

	Audit and Risk	Corporate Governance	ESG	Executive	Finance	Human Resources	Nominating	Pension
Edward S. Rogers ¹				●	●		●	
Michael J. Cooper								○
Trevor English	○		○					○
Ivan Fecan	○	○				●		
Robert J. Gemmell ²	●	●		○	○		○	
Jan L. Innes			●			○	○	●
Dr. Mohamed Lachemi		○						○
David A. Robinson	○			○		○	○	
Lisa A. Rogers			○					
Bradley S. Shaw					○			
Tony Staffieri								

¹ Chair of the Board² Lead Director

INCOME TAX AND OTHER GOVERNMENT PAYMENTS

We proactively manage our tax affairs to enhance our business decisions and optimize after-tax free cash flow available for investment in our business and shareholder returns. We have comprehensive policies and procedures to ensure we are compliant with all tax laws and reporting requirements, including filing and making all income and sales tax returns and payments on a timely basis. As a part of this process, we pursue open and cooperative relationships with revenue authorities to minimize audit effort and reduce tax uncertainty. We also engage with government policy makers on taxation matters that affect Rogers and its shareholders, employees, customers, and other stakeholders.

INCOME TAX PAYMENTS

Our total income tax expense of \$517 million in 2023 is higher than the expense computed on our accounting income at the statutory rate of 26.2%, primarily as a result of a non-deductible change in fair value of an obligation of one of our joint ventures to purchase the non-controlling interest in one of its investments and a revaluation of our deferred tax balances arising from a corporate reorganization-driven change in income tax rate. Cash income tax payments totalled \$439 million in 2023. The primary reasons our cash income tax is lower than our income tax expense are the timing of installment payments and the significant capital investment we continue to make in our wireless and cable networks throughout Canada. Similar to tax systems throughout the world, Canadian tax laws permit investments in such productivity-enhancing assets to be deducted for tax purposes more quickly than they are depreciated for financial statement purposes.

OTHER GOVERNMENT PAYMENTS

In addition to paying income tax on the profits we earn, we contribute significantly to Canadians by paying taxes and fees to federal, provincial, and municipal governments, including:

- various taxes on the salaries and wages we pay (payroll taxes) to approximately 26,000 employees;
- property and business taxes;
- unrecoverable sales taxes and custom duties; and
- broadcast, spectrum, and other regulatory fees.

As outlined in the table below, the total cost to Rogers of these payments in 2023 was \$1,432 million.

(In millions of dollars)	Years ended December 31	
	2023	2022
Income taxes paid	439	455
Add:		
Unrecoverable sales taxes paid	11	15
Payroll taxes paid	187	145
Regulatory and spectrum fees paid ¹	723	670
Property and business taxes paid	72	48
Taxes paid and other government payments ²	1,432	1,333

¹ Includes an allocation of \$418 million (2022 - \$418 million) relating to the \$3.3 billion, \$24 million, \$1.7 billion, and \$3.3 billion we paid for the acquisition of spectrum licences in 2014, 2015, 2019, and 2021, respectively.

² Taxes paid and other government payments is a non-GAAP financial measure. This is not a standardized financial measure under IFRS and might not be comparable to similar financial measures disclosed by other companies. See "Non-GAAP and Other Financial Measures" for more information about this measure.

We also collected on behalf of the government \$2,465 million in sales taxes on our products and services and \$1,012 million in employee payroll taxes.

Risk Management

We strive to continually strengthen our risk management capabilities to protect and enhance shareholder value. The purpose of risk management is not to eliminate risk but to optimize trade-offs between risk and return to maximize value to the organization. As such, we will knowingly take certain risks to generate earnings and encourage innovation that advance us as a customer-centric market leader. To maintain our reputation and trust, we will always work to ensure the impacts (financial, operational, strategic, regulatory, privacy, and cyber security) of our risk-taking activities are understood and are in line with our strategic objectives and company values.

RISK GOVERNANCE

The Board has overall responsibility for risk governance and oversees management in identifying the key risks we face in our business and implementing appropriate risk assessment processes to manage these risks. It delegates certain risk oversight and management duties to the Audit and Risk Committee.

The Audit and Risk Committee discusses risk policies with management and the Board and assists the Board in overseeing our compliance with legal and regulatory requirements.

The Audit and Risk Committee also reviews:

- the adequacy of the internal controls that have been adopted to safeguard assets from loss and unauthorized use, to prevent, deter, and detect fraud, and to ensure the accuracy of the financial records;
- the processes for identifying, assessing, and managing risks;
- our exposure to major risks and trends and management's implementation of risk policies and actions to monitor and control these exposures, including cybersecurity, privacy, technology, and environmental;
- the implementation of new major systems and changes to existing major systems;
- our business continuity and disaster recovery plans;
- any special audit steps adopted due to material weaknesses or significant deficiencies that may be identified; and
- other risk management matters from time to time as determined by the Audit and Risk Committee or directed by the Board.

ENTERPRISE RISK MANAGEMENT

Our Enterprise Risk Management (ERM) program uses the "3 Lines of Defence" framework to identify, assess, manage, monitor, and communicate risks. Our business units and departments, led by the Executive Leadership Team, are the first line of defence and are accountable for managing or accepting the risks. Together, they identify and assess key risks, define controls and action plans to minimize these risks, and enhance our ability to meet our business objectives.

ERM is the second line of defence. ERM helps management identify the key and emerging risks in meeting our corporate and business unit objectives in line with our risk appetite. At the business unit and department level, ERM works with management to provide governance and advice in managing the key risks and associated controls to mitigate these risks. Business Continuity is a function within ERM which also assists the business in mitigating key risks. Specifically, the Business Continuity function oversees

incident management and planning to maintain customer service, operation of our network and businesses in the event of threats and natural disasters. Such threats include cyberattacks or equipment failures that could cause various degrees of network outages; supply chain disruptions; natural disaster threats; epidemics; pandemics; and political instability. Our ERM program also includes insurance coverage allowing us to transfer certain risks. Lastly, ERM works with Internal Audit to monitor the adequacy and effectiveness of controls to reduce risks to an acceptable level.

Annually, ERM carries out a corporate risk assessment. The assessment includes reviewing risk and audit reports and industry benchmarks and conducting an annual risk survey of all senior leaders. Based on the survey results, ERM, in consultation with senior management, identifies the key risks to achieving our corporate objectives. ERM reports the results of the annual corporate risk assessment to the Executive Leadership Team, the Audit and Risk Committee, and the Board and provides quarterly risk updates.

ERM also facilitates management's completion of the financial statement fraud risk assessment which aims to ensure there is no potential fraud or misstatement in our financial statements and disclosures and to assess whether controls are adequately designed and operating effectively to mitigate financial statement fraud risk.

Internal Audit is the third line of defence. Internal Audit is an independent and objective assurance function that evaluates the design and operational effectiveness of internal controls and risk management processes supporting the mitigation of risks that may affect the achievement of our objectives.

The Executive Leadership Team and the Audit and Risk Committee are responsible for approving our enterprise risk policies. Our ERM methodology and policies rely on the expertise of our management and employees to identify risks and opportunities and implement risk mitigation strategies as required.

RISKS AND UNCERTAINTIES AFFECTING OUR BUSINESS

This section describes the principal risks and uncertainties that could have a material adverse effect on our business and financial results. Any discussion about risks should be read in conjunction with "About Forward-Looking Information".

SHAW TRANSACTION

We may fail to realize the expected benefits of the Shaw Transaction Achieving the anticipated cost synergies, operating efficiencies, and other benefits of the Shaw Transaction depends on our ability to consolidate and integrate Shaw's businesses, operations, and workforce in a manner that facilitates growth opportunities and achieves the projected cost savings and revenue growth without adversely affecting the combined company's operations. The integration of the businesses and operations acquired in the Shaw Transaction may be more difficult, time-consuming, or costly than expected. Even if we successfully integrate those businesses and operations, the anticipated benefits of the Shaw Transaction may not be fully realized or they could take longer to realize than expected.

The integration process may result in operating costs, customer loss, and business disruption that are greater than expected. It may result in the loss of key personnel, the termination or alteration of existing material contracts or relationships, the disruption of ongoing businesses (including, without limitation, difficulties in maintaining relationships with employees, customers, or suppliers), or inconsistencies in standards, controls, procedures, and policies. There could be potential unknown liabilities and unforeseen expenses associated with the Shaw Transaction that were not discovered while performing due diligence. Coordinating certain aspects of the operations and personnel of Rogers with Shaw will involve complex operational, technological, and personnel-related challenges. In addition to the day-to-day operations of Rogers, management will need to focus on the integration of the Shaw business.

CYBERSECURITY

Our industry is vulnerable to cybersecurity risks that are growing in both frequency and complexity. Additionally, the introduction of 5G, cloud computing, increased digitization, and the use of emerging technologies such as artificial intelligence (AI), has resulted in an increase in cybersecurity risks and more complex cybersecurity attacks. Rogers, along with our suppliers, employs systems and network infrastructure that are subject to cyberattacks, which may include theft of assets, unauthorized access to proprietary or sensitive information, destruction or corruption of data, ransomware attacks, or operational disruption. A significant cyberattack against our critical network infrastructure and supporting information systems (or those of our suppliers) could result in service disruptions, litigation, loss of customers, incurring significant costs, and/or reputational damage.

We routinely work with third-party providers, including cloud service providers, whose products and services are used in our business operations. These third-party providers have experienced cybersecurity attacks in the past and, based on industry trends, we expect will continue to experience cybersecurity attacks that attempt to obtain unauthorized access to our sensitive information or create operational disruptions. In some cases, cybersecurity threat actors may fraudulently attempt to social engineer our personnel, customers, or suppliers to disclose sensitive information, plant malicious software, provide access credentials, or take other fraudulent actions.

We have experienced a significant increase in social engineering attacks targeting our team members and our suppliers. These attacks, often perpetrated by organized cybercriminal groups, involve persuading the targeted individuals to share their access credentials, which are then used to steal data or carry out unauthorized changes to our customers' accounts.

We have a robust information and cybersecurity program that includes established cyber governance practices designed to reinforce the importance of remaining a secure, vigilant, and resilient organization. Our ongoing success depends on protecting our sensitive data and key service delivery systems, including personal information about our customers and employees. We rely on security awareness training, policies, procedures, and IT systems to protect this information. Success also depends on Rogers continuing to monitor through risk management programs, leveraging external threat intelligence and significant partnerships,

internal monitoring, reviewing industry practices, and implementing controls as appropriate to maintain ongoing cyber resilience. We have insurance coverage against certain damages related to cybersecurity breaches, intrusions, and attacks, amongst other things.

External threats to the network and our business generally are constantly changing and there is no assurance we will be able to protect the network from all future threats. The impact of such attacks may affect our customer service, key service delivery systems, or our financial results. We continue to invest in our cybersecurity program and conduct regular assessments to test our resiliency.

PRIVACY

In the evolving digital world, privacy and the ways in which organizations handle personal information are becoming increasing priorities for consumers. Ensuring appropriate governance over this data has become even more critical. As the move to digital transactions accelerated over the past several years, companies continued to gain greater amounts of data on customers and employees. The nature of the products and services we offer our customers means we are entrusted with a significant amount of personal information. This means that ensuring there are appropriate safeguards and privacy protections in place is a priority for us. We are the stewards of this data and this responsibility is of the utmost importance to us. If a privacy breach were to occur and personal information was made public, there could be a material adverse effect on our reputation and our business.

TECHNOLOGY

New technologies

Our network plans assume the availability of new technology for both wireless and wireline networks, including 5G technology in the wireless industry and future DOCSIS enhancements and evolutions in the wireline industry. While we work with industry standards bodies and our vendors to ensure timely delivery of new technology, there are no assurances these technologies will be available as and when required. Delays in the availability of the new technologies may adversely impact our go-to-market plans for offering new products and services to our customers.

As new technologies become available, we expect a substantial portion of our future revenue growth may come from new and advanced services, and companies such as Rogers will need to continue to invest significant capital resources to develop our networks and implement in an agile framework to meet customers and business timelines. It is possible, however, that there may not be sufficient consumer demand, or that we may not anticipate or satisfy demand for certain products and services or be able to offer or market these new products and services successfully to subscribers. If we do not attract subscribers to new products and services profitably or keep pace with changing consumer preferences, we could experience slower revenue growth and increased churn. This could have a material adverse effect on our business, results of operations, and financial condition.

Several technologies have affected the way our services are delivered, including:

- broadband;
- IP-based voice, data, and video delivery services;

- increased use of optical fibre technologies to businesses and residences;
- broadband wireless access and wireless services using a radio frequency spectrum to which we may have limited or no access; and
- applications and services using cloud-based technology, independent of carrier or physical connectivity.

These technologies may also lead to significantly different cost structures for users and therefore affect the long-term viability of some of our current technologies. Some of these technologies have allowed competitors to enter our markets with similar products or services at lower costs. These competitors may also be larger and/or have greater access to financial resources. Additional competitors with advances in technology, such as high-speed Internet service from low Earth orbit satellite operators like Starlink, have entered the Canadian market and could potentially have a material adverse impact on our operations and results.

The continued emergence and growth of subscriber-based satellite and digital radio products could affect AM and FM radio audience listening habits and have a negative effect on the results of our radio stations. Certain audiences are also migrating away from traditional broadcast platforms to the Internet as more video and audio content streaming becomes available.

Reliance on technology

Our technologies, processes, and systems are operationally complex and increasingly interconnected. Further, our businesses depend on IT systems for day-to-day operations and critical elements of our network infrastructure and IT systems are concentrated in various physical facilities. If we are unable to operate our systems, make enhancements to accommodate customer growth and new products and services, or if our systems experience disruptions or failures, it could have an adverse effect on our ability to acquire new subscribers, service customers, manage churn, produce accurate and timely subscriber invoices, generate revenue growth, and manage operating expenses. This could have a material adverse impact on our business, results, and financial position.

Impact of failures on customer service

Customers have high expectations of reliable and consistent performance of our networks. Failure to maintain high service levels and to effectively manage network traffic could have an impact on the customer experience, potentially resulting in an increase in customer churn. Due to the increased demand and traffic on our networks, there could be capacity and congestion pressures. If our networks or key network or IT components fail, it could, in some circumstances, result in a loss of service for our customers for certain periods and have a material adverse effect on our business, results, and financial position.

We work to protect our networks and our service from the impact of natural disasters and major weather events such as ice storms, wind storms, forest fires, flooding, earthquakes, or landslides where it is necessary and feasible to do so. There are no assurances that a future event will not cause service outages and that such outages would not affect our results. Service disruptions or outages could also affect our operations if not quickly resolved, potentially causing a risk of billing delays or errors. If we fail to have appropriate response strategies and protocols in place to handle service

outages in the face of these types of events, they could have an impact on our revenue and our customer experience. Recovering from these disasters could require significant resources and remediation costs, which are difficult to estimate.

Satellite

We currently utilize two satellites (Anik F3 and Anik G1) owned by Telesat to provide satellite TV services to customers. Anik F2, which we had previously used, was proactively removed from service for our direct-to-home customers on February 29, 2024 following Telesat's public disclosure of anomalies with two of four station-keeping thrusters and the resulting service interruptions. Any future anomalies with, or failure of any remaining satellite could negatively affect customer service and our relationships with our customers and may have a material adverse effect on our reputation, operations, and/or financial results.

We do not maintain insurance coverage for the transponders on Anik F3 or Anik G1, including business interruption insurance, that would cover damage related to the loss of use of one or more of the transponders on the satellites.

The provision of Internet connectivity in rural areas by new entrants leveraging low Earth orbit satellite technology or expanded broadband and/or wireless infrastructure from legacy providers, could also result in declining subscriber trends among Satellite customers.

COMPETITIVE INTENSITY

Competitive behaviour and market dynamics are continuously changing in our fast-paced industry. There is no assurance that our current or future competitors will not provide services that are superior to ours or at lower prices, adapt more quickly to evolving industry trends or changing market requirements, enter markets in which we operate, or introduce competing services. The federal government also continues to promote competition and affordability, and is committed to universal high-speed Internet for every Canadian by 2030. Canadian regulators continue to consider whether the regulatory framework governing wholesale wireline and wireless access should be expanded. Any of these factors could increase churn or reduce our business market share or revenue.

Depending on various factors including economic conditions and responses from our competitors and/or current and potential customers, we may need to change our wireless pricing offers to attract new customers and retain existing subscribers. As wireless penetration of the population deepens, new wireless customers may generate lower average monthly revenue, which could slow revenue growth.

Global technology giants continue to ramp up content spending into new markets such as sports media, resulting in increased competition for our Media and Cable segments. This may result in an increase in churn as customers now have additional choices of supplementary sources of media content.

Competition is increasing for content programming rights from both traditional linear television broadcasters and online competitors. Online providers have moved towards self-made, self-hosted exclusive content, and are aggressively competing for rights such that traditional broadcasters may not gain access to desirable

programming. Overall increased competition for content could increase costs of programming rights. As broadcasters and distributors sign longer-term agreements to secure programming rights, this could affect the availability of desirable programming rights and result in lower revenue due to a lack of access to these rights. Lower revenue in turn could adversely affect the operating results of our business if we are unable to recover programming investments through advertising revenue and subscription fee increases that reflect the market.

In addition, the Canadian Radio-Television and Telecommunications Commission (CRTC) Broadcasting Distribution Regulations do not allow cable operators to obtain exclusive contracts in buildings where it is technically feasible to install two or more transmission systems.

Continued deployments of fibre networks by competitors may lead to an increase in the reach, speed, and stability of their wireline-related services. This could result in an increase in churn pertaining to our wireline business segment services.

Improvements in the quality of streaming video over the Internet, coupled with increasing availability of television shows and movies online through OTT content providers, has resulted in competition for viewership and increased competition for Canadian cable television service providers. As a result, we have noticed an increase in cord cutting and cord shaving as consumers continue to withdraw from traditional cable services. If advances in technology are made to any alternative Canadian multi-channel broadcasting distribution system, our cable services may face increased competition. In addition, as the technology for wireless Internet continues to develop, it is, in some instances, replacing traditional wireline Internet.

REGULATORY RISKS

Changes in government regulations

Substantially all of our business activities are regulated by ISED Canada and/or the CRTC. Any regulatory changes or decisions could adversely affect our consolidated results of operations. The ongoing proceedings with the most significant potential impact on our business are various matters related to the regulatory framework governing wholesale wireline and wireless access (see "Regulation in our Industry" and "Litigation Risks").

Regulatory changes or decisions made by regulators could adversely impact our results on a consolidated basis. This regulation relates to, among other things, licensing and related fees, competition, the cable television programming services we must distribute, wireless and wireline interconnection agreements, the rates we may charge to provide access to our networks by third parties, the resale of our networks and roaming on our networks, our operation and ownership of communications systems, and our ability to acquire an interest in other communications systems. In addition, the costs of providing services may be increased from time to time as a result of compliance with industry or legislative initiatives to address consumer protection concerns or issues such as copyright, privacy, cybercrime, and lawful access.

Generally, our licences are granted for a specified term and are subject to conditions. These licensing conditions, including the related fees, may be modified at any time by the regulators. The regulators may decide not to renew a licence when it expires, and any failure by us to comply with the conditions on the maintenance of a licence could result in a revocation or forfeiture of any of our licences or the imposition of fines. Our wireless and broadcasting licences generally may not be transferred without regulatory approval.

The licences include conditions requiring us to comply with Canadian ownership restrictions of the applicable legislation. We are currently in compliance with all of these Canadian ownership and control requirements. If these requirements were violated, we would be subject to various penalties, possibly including the loss of a licence.

Spectrum

Radio spectrum is one of the fundamental assets required to carry on our Wireless business. Our ability to continue to offer and improve current services and to offer new services depends on, among other factors, continued access to, and deployment of, adequate spectrum, including the ability to both renew current spectrum licences and acquire new spectrum licences.

If we cannot acquire and retain needed spectrum, whether due to unfavourable spectrum auction rules, licence conditions, or other factors, we may not be able to continue to offer and improve our current services and deploy new services on a timely basis, including providing competitive data speeds our customers want. As a result, our ability to attract and retain customers could be adversely affected. In addition, an inability to acquire and retain needed spectrum could affect network quality and result in higher capital expenditures.

Changes to government spectrum fees could significantly increase our payments and therefore materially reduce our net income.

Radio frequency emissions

From time to time, media and other reports have highlighted alleged links between radio frequency emissions from wireless devices (including new 5G technology) and various health concerns, including cancer, and interference with various medical devices, including hearing aids and pacemakers. This may discourage the use of wireless devices or expose us to potential litigation even though there are no definitive reports or studies stating that these health issues are directly attributable to radio frequency emissions. Future regulatory actions may result in more restrictive standards on radio frequency emissions from low-powered devices like wireless devices. We cannot predict the nature or extent of any restrictions.

Obtaining access to support structures and municipal rights of way

To build and support the rollout of 5G, and to continue upgrading our wireline network, we must have access to support structures and municipal rights of way to install equipment on municipal poles and buildings, and on Indigenous land. Under the Telecommunications Act, the CRTC has jurisdiction over support structures owned by telecommunication carriers and municipal rights of way. The CRTC's jurisdiction does not extend to electrical utility support structures, which are regulated by provincial utility authorities.

CUSTOMER EXPERIENCE

Our customers' loyalty and their likelihood to recommend Rogers are both dependent upon our ability to provide a service experience that meets or exceeds their expectations. We handle many customer interactions annually, ranging from potential new customers making in-store and online purchases to existing customers calling for technical support and everything in between. We understand that every time a customer uses one of our services,

such as making a call or browsing the Internet on their wireless device, watching their favourite show using their Internet or television services, or listening to one of our radio stations, their experience affects all future interactions with any Rogers brand. If our services do not deliver the usage experience our customers expect from us, and if we do not have clear, simple, and fair interactions with our customers, it could cause confusion and frustrate our customers and have a negative impact to our reputation or brand. This could also result in lost sales opportunities or customers switching to a competitor for some or all of their services, either of which could have a material adverse impact on our business, results, and financial condition.

RESULTS PERFORMANCE

We strive to drive profitable growth in all markets we serve. This means we will focus on core growth drivers in each of our businesses, including increasing subscribers and reducing churn, expanding products in our enterprise business, and returning Media to growth. At the same time, our goal is to continue to develop strong capabilities in cost management to support investments that will fuel our future. If we are not successful in achieving these goals, as a result of economic conditions or the competitive landscape, this could negatively impact confidence with investors and external stakeholders, and ultimately our stock price.

TALENT ACQUISITION AND RETENTION

A significant transformation is underway in our industry, and as competition for talent increases, our success is highly dependent on our ability to attract and retain a high-performing, diverse, and engaged workforce, including in key growth areas, such as the network, IT, and digital fields. Our focus must be on providing career and development opportunities, competitive compensation and benefits, fostering an inclusive and diverse workplace, and a great employee experience. Failure to maintain and achieve this focus, and changes to our workforce as a result of factors such as turnover and restructuring, failing to develop internal succession, cost reduction initiatives, ongoing union negotiations, or other events, could have an adverse effect on the customer experience, and as a result our revenue and profitability.

RELIANCE ON SUPPLY CHAIN AND THIRD PARTIES

We have outsourcing, managed service, and supplier arrangements with third parties to provide certain essential components of our business operations to our employees and customers. These include, but are not limited to, certain critical infrastructure components and devices, facilities or property management functions, contact centre support, installation and service technicians, and network and IT functions. If interruptions in these services or at these suppliers occur, including global supply chain issues, it could adversely affect our ability to provide service to our customers, which could have an adverse effect on our revenue and profitability.

FINANCIAL RISKS

Capital commitments, liquidity, debt, and interest payments

Our capital commitments and financing obligations could have important consequences, including:

- requiring us to dedicate a substantial portion of cash provided by operating activities to pay interest, principal amounts, and dividends, which reduces funds available for other business purposes, including other financial operations;

- making us more vulnerable to adverse economic and industry conditions;
- limiting our flexibility in planning for, and reacting to, changes in our business and industry;
- putting us at a competitive disadvantage compared to competitors who may have more financial resources and/or less financial leverage; or
- restricting our ability to obtain additional financing to fund working capital and capital expenditures and for other general corporate purposes.

Our ability to satisfy our financial obligations depends on our future operating performance and on economic, financial, competitive, and other factors, many of which are beyond our control. Our business may not generate sufficient cash flow in the future and financings may not be available to provide sufficient net proceeds to meet our obligations or to successfully execute our business strategy.

Credit ratings

Credit ratings provide an independent measure of credit quality of a securities issuer and can affect our ability to obtain short- and long-term financing and the terms of the financing. In connection with the Shaw Transaction, each of S&P, Moody's, Fitch, and DBRS Morningstar downgraded our corporate credit issuer default rating and our senior unsecured debt ratings by two notches. If rating agencies lower the credit ratings on our debt further, particularly a downgrade below investment-grade, it could adversely affect our cost of financing and access to liquidity and capital.

Capital markets

External capital market conditions could affect our ability to make strategic investments and meet ongoing capital funding requirements. Risk factors include a reduction in lending activity, disruptions in capital markets, and regulatory requirements for an increase in bank capitalization, which could reduce the availability and/or increase the cost of capital.

Income taxes and other taxes

We collect, pay, and accrue significant amounts of income and other taxes, such as federal and provincial sales, employment, and property taxes.

We have recorded significant amounts of deferred and current income tax liabilities and expense, and calculated these amounts based on substantively enacted income tax rates in effect at the relevant time. A legislative change in these rates could have a material effect on the amounts recorded and payable in the future.

We provide for income and other taxes based on all currently available information and believe that we have adequately provided for these items. The calculation of applicable taxes in many cases, however, requires significant judgment in interpreting tax rules and regulations. Our tax filings are subject to audits, which could materially change the amount of current and deferred income tax assets, liabilities, and expense, and could, in certain circumstances, result in the assessment of interest and penalties.

While we believe we have paid and provided for adequate amounts of tax, our business is complex and significant judgment is required in interpreting how tax legislation and regulations apply to us.

OTHER RISKS

Economic conditions

Our businesses are affected by general economic conditions and consumer confidence and spending. Recessions, declines in economic activity, and economic uncertainty can erode consumer and business confidence and reduce discretionary spending. Any of these factors can negatively affect us through reduced advertising, lower demand for our products and services, decreased revenue and profitability, and higher churn and bad debt expense. A significant portion of our broadcasting and digital revenue comes from the sale of advertising and is affected by the strength of the economy.

Strategy and business plans

Our strategy is vital to our long-term success. Changing strategic priorities or adding new strategic priorities could compromise existing initiatives and could have a material adverse effect on our business, results of operations, and financial condition.

We develop business plans, execute projects, and launch new ventures to grow our business. If the expected benefits from these do not materialize, this could have a material adverse effect on our business, results of operations, and financial condition.

Our products, services, and networks rely, in part, on certain vendors. Should our vendors not deliver solutions that operate as intended, our business and financial results could be adversely affected. This may result in subscriber losses, lower revenue, and unfavourable customer satisfaction.

Monitoring and controlling fraudulent activities

As a large company with tens of thousands of employees and a range of desirable and valuable products and services, fraud prevention requires a disciplined program covering governance, exposure identification and assessment, prevention, detection, and reporting. This program must consider corruption and misappropriation of assets by employees and/or external parties. Fraud events can result in financial loss and brand degradation. In addition to unauthorized access to digital boxes and Internet modems, a sample of potential examples of fraud relevant to us include (i) inappropriate use of our cable or wireless networks, (ii) subscription fraud and fraudulent account takeovers for purpose of hardware theft or SIM swapping, (iii) intentional manipulation of financial statements by employees and/or external parties, and (iv) copyright theft and other forms of unauthorized use that undermine the exclusivity of our content offerings.

Unauthorized access to digital boxes or Internet modems

With a significant number of Canadians purchasing illegal pre-loaded set-top boxes and illegally streaming our television products, cord-shaving, cord-cutting and customer churn rates could increase. To address this, we use encryption technology developed and supported by our vendors to protect our cable signals from unauthorized access and to control access to programming based on subscription packages. We also use encryption and security technologies to prevent unauthorized access to our Internet service.

There is no assurance that we will be able to effectively prevent unauthorized decoding of television signals or Internet access in

the future. If we are unable to control cable access and subscriptions to digital programming with our encryption technology, including premium video-on-demand and subscription video-on-demand, this could result in a decline in our Cable revenue.

Legal and ethical compliance

We rely on our employees, officers, Board, suppliers, and other business partners to behave consistently with applicable legal and ethical standards in all jurisdictions in which we operate, including, but not limited to, anti-bribery laws and regulations. Situations where individuals or others, whether inadvertently or intentionally, do not adhere to our policies, applicable laws and regulations, or contractual obligations may expose us to litigation and the possibility of damages, sanctions, and fines, or of being disqualified from bidding on contracts. This may have an adverse effect on our business results, financial position, reputation, and brand.

Acquisitions, divestitures, or investments

Acquiring complementary businesses and technologies, developing strategic alliances, and divesting portions of our business are often required to optimally execute our business strategy. Some areas of our operations (and adjacent businesses) are subject to rapidly evolving technologies and consumer usage and demand trends. It is possible that we may not effectively forecast the value of consumer demand or risk of competing technologies resulting in higher valuations for acquisitions or missed opportunities.

Services, technologies, key personnel, or businesses of companies we acquire may not be effectively integrated into our business or service offerings, or our alliances may not be successful. We also may not be able to successfully complete certain divestitures on satisfactory terms, if at all.

Decline of television subscribers in Canada (cord-cutting and cord-shaving)

The number of households that subscribe to television service in Canada continues to decline. Other video offerings available to consumers (for example, direct-to-consumer subscription and free services), as well as piracy, have contributed to this trend. If this decline continues, it could have a material adverse effect on our results of operations.

Migrating from conventional to digital media

Our Media business operates in many industries that can be affected by customers migrating from conventional to digital media, which is driving shifts in the quality and accessibility of data and mobile alternatives to conventional media. We have been shifting our focus towards the digital market. Increasing competition for advertising revenue from digital platforms, such as search engines, social networks, and digital content alternatives, has resulted in advertising dollars migrating from conventional television broadcasters to digital platforms. The impact is greater on conventional over-the-air broadcast networks, such as Citytv and OMNI, which do not have a second revenue stream from subscription revenue. Our Media results could be adversely affected if we are unsuccessful in shifting advertising dollars from conventional to digital platforms.

Our market position in radio and television

Advertising dollars typically migrate to media properties that are leaders in their respective markets and categories, particularly when advertising budgets are tight. Our radio and television properties may not continue performing how they currently perform. Advertisers base a substantial part of their purchasing decisions on ratings data generated by industry associations and agencies. If our radio and television ratings decrease substantially, our advertising sales volumes and the rates that we charge advertisers could be adversely affected.

Climate change

Climate change is an increasingly important consideration in all businesses, including the telecommunications business. Failure of climate change mitigation and adaptation efforts could affect our business through potential disruption of our operations or supply chains, damage to our infrastructure, and the effects on the communities we serve. The physical risk to our infrastructure caused by extreme weather disturbances related to climate change can significantly affect our ability to maintain secure communication services to all our customers, including governments and health and emergency services.

Climate change and the environment are drawing more attention through evolving stakeholder interest and management expectations. Many aspects of our operations are subject to evolving and increasingly stringent federal, provincial, and local environmental, health, and safety laws and regulations. Such laws and regulations impose requirements with respect to matters such as the release of substances into the environment, corrective and remedial action concerning such releases, and the proper handling and management of substances. These evolving considerations and more stringent laws and regulations could lead to increased costs for compliance and rising costs of utilities. Failure to recognize and adequately respond could result in fines, regulatory scrutiny, loss of stakeholder confidence, or damage to our reputation or brand.

Pandemics, epidemics, and other public health emergencies

Pandemics, epidemics, and public health emergencies could occur, which could adversely affect our ability to maintain operational networks and provide products and services to our customers, as well as the ability of our suppliers to provide us with products and services we need to operate our business. Any such pandemics, epidemics, and other public health emergencies could also have an adverse effect on the economy and financial markets resulting in a declining level of retail and commercial activity, which could have a negative impact on the demand for, and prices of, our products and services.

Controlling shareholder ownership risk

Rogers is a family-founded, family-controlled company. Voting control of Rogers Communications Inc. is held by the Trust for the benefit of successive generations of the Rogers family and, as a result, the Trust is able to elect all members of the Board and to control the vote on most matters submitted to shareholders, whether through a shareholder meeting or a written consent resolution. The beneficiaries of the Trust are a small group of individuals who are members of the Rogers family, several of whom are also directors of the Board. The trustee is the trust company subsidiary of a Canadian chartered bank.

As at December 31, 2023, private Rogers family holding companies controlled by the Trust owned approximately 98% of our outstanding Class A Shares (2022 - 98%) and approximately 9% of our Class B Non-Voting Shares (2022 - 10%), or in total approximately 28% of the total shares outstanding (2022 - 29%). Only Class A Shares carry the right to vote in most circumstances.

LITIGATION RISKS**July 2022 network outage**

As a result of the network outage that occurred on July 8, 2022, a total of four applications were filed in the Quebec Superior Court seeking authorization to commence a class action against Rogers in relation to this network outage. One of the applications was subsequently withdrawn. Two additional applications have since been suspended. The remaining application seeks to institute a class action on behalf of all persons who, among other things, experienced a wireless or wireline service interruption as a result of, or were otherwise impacted by, the outage. The application claims various damages, including, among others, contractual damages, damages for lost profits, and punitive damages.

At this time, we are unable to assess the likelihood of success of the active application or the suspended applications, or predict the magnitude of any liability we might incur by virtue of the claims underlying those applications or any corresponding or similar claims that may be brought against us in the future. As such, we have not recognized a liability for this contingency. If successful, one of those claims could have a material adverse effect on our business, financial results, or financial condition. It is also possible that similar or corresponding claims could be filed in other jurisdictions.

System access fee - Saskatchewan

In 2004, a class action was commenced against providers of wireless communications in Canada under the Class Actions Act (Saskatchewan). The class action relates to the system access fee wireless carriers charge to some of their customers. The plaintiffs are seeking unspecified damages and punitive damages, which would effectively be a reimbursement of all system access fees collected.

In 2007, the Saskatchewan Court granted the plaintiffs' application to have the proceeding certified as a national, "opt-in" class action where affected customers outside Saskatchewan must take specific steps to participate in the proceeding. In 2008, our motion to stay the proceeding based on the arbitration clause in our wireless service agreements was granted. The Saskatchewan Court directed that its order, in respect of the certification of the action, would exclude customers who are bound by an arbitration clause from the class of plaintiffs.

In 2009, counsel for the plaintiffs began a second proceeding under the Class Actions Act (Saskatchewan) asserting the same claims as the original proceeding. If successful, this second class action would be an "opt-out" class proceeding. This second proceeding was ordered conditionally stayed on the basis that it was an abuse of process.

At the time the Saskatchewan class action was commenced, corresponding claims were filed in multiple jurisdictions across Canada. The claims in all provinces other than Saskatchewan have now been dismissed or discontinued. We have not recognized a liability for this contingency.

911 fee

In June 2008, a class action was launched in Saskatchewan against providers of wireless communications services in Canada. It involves allegations of breach of contract, misrepresentation, and false advertising, among other things, in relation to the 911 fee that had been charged by us and the other wireless telecommunication providers in Canada. The plaintiffs are seeking unspecified damages and restitution. The plaintiffs intend to seek an order certifying the proceeding as a national class action in Saskatchewan. We have not recognized a liability for this contingency.

Other claims

There are certain other claims and potential claims against us. We do not expect any of these, individually or in the aggregate, to have a material adverse effect on our financial results.

Outcomes of proceedings

In addition to the legal proceedings described above, we are involved in various other disputes, governmental and/or regulatory inspections, investigations and proceedings, and other litigation matters. Such legal proceedings can be complex, costly, and highly disruptive to our business operations by diverting the attention and energy of management and other key personnel. It is not possible for us to predict the outcome of such legal proceedings due to the various factors and uncertainties involved in the legal process. Potential outcomes include judgment, awards, settlements, or orders that could have a material adverse effect on our business, reputation, financial condition and results. Legal proceedings could impose restraints on our current or future manner of doing business. The amounts ultimately paid or received upon settlement or pursuant to a final judgment, order, or decree may differ materially from amounts accrued in our financial statements.

Based on information currently known to us, we believe it is not probable that the ultimate resolution of any of the current legal proceedings to which we are subject, individually or in total, will have a material adverse impact on our business, financial results, or financial condition. If circumstances change and it becomes probable that we will be held liable for claims against us and such claim is estimable, we will recognize a provision during the period in which the change in probability occurs, which could be material to our Consolidated Statements of Income or Consolidated Statements of Financial Position.

CONTROLS AND PROCEDURES**DISCLOSURE CONTROLS AND PROCEDURES**

We conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as at December 31, 2023, under the supervision and with the participation of our management, including the Chief Executive Officer and Chief Financial Officer, pursuant to Rule 13a-15 promulgated under the US Securities Exchange Act of 1934, as amended. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective at that date.

Our Chief Executive Officer and Chief Financial Officer have limited the scope of their evaluations of the effectiveness of internal control over financial reporting and of our disclosure controls and procedures subsumed by internal control over financial reporting to exclude the controls, policies, and procedures of Shaw, which we acquired on April 3, 2023. In our consolidated financial statements for the year ended December 31, 2023, the acquired Shaw business contributed approximately \$3.2 billion of consolidated revenue, a net loss of approximately \$200 million, and total assets of approximately \$14.2 billion as at December 31, 2023. Additionally, as at December 31, 2023, the current assets and current liabilities of the acquired Shaw operations represented approximately 10% and 15% of consolidated current assets and current liabilities, respectively, and the non-current assets and non-current liabilities of the acquired Shaw operations represented approximately 20% and 15% of consolidated non-current assets and non-current liabilities, respectively.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining adequate internal control over financial reporting.

Our internal control system is designed to give management and the Board reasonable assurance that our financial statements are prepared and fairly presented in accordance with IFRS as issued by the IASB. The system is intended to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are reliable. Management also takes steps to assure the flow of information and communication is effective, and monitors performance and our internal control procedures.

Management assessed the effectiveness of our internal control over financial reporting as at December 31, 2023, based on the criteria set out in the Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and concluded that it was effective at that date. As noted under "Disclosure Controls and Procedures", we have excluded Shaw from our assessment of the effectiveness of our internal control over financial reporting as at December 31, 2023. Our independent auditors, KPMG LLP, have issued an unqualified opinion on the effectiveness of the Company's internal control over financial reporting as of December 31, 2023. This report is included in our 2023 Audited Consolidated Financial Statements filed on SEDAR + (sedarplus.ca).

All internal control systems, however, no matter how well designed, have inherent limitations, and even systems that have been determined to be effective can only provide reasonable assurance about the preparation and presentation of financial statements.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING AND DISCLOSURE CONTROLS AND PROCEDURES

In October 2023, we implemented a new enterprise resource planning system that initially includes accounting functions and is expected to grow to include supply chain functions in 2024 and 2025. In connection with the implementation, we updated our internal control over financial reporting, as necessary, to accommodate related changes to our business processes and accounting procedures. We will continue to monitor the effectiveness of these processes going forward.

Regulation in our Industry

Our business, except for the non-broadcasting operations of Media, is regulated by two groups:

- ISED Canada on behalf of the Minister of Innovation, Science and Industry; and
- the CRTC, under the Telecommunications Act and the Broadcasting Act.

Regulation relates to the following, among other things:

- wireless spectrum and broadcasting licensing;
- carriage and distribution of television programming services;
- wireless and wireline interconnection agreements;
- rates we can charge third parties for access to our wireline and wireless networks;
- the resale of services on our networks;
- roaming on our networks and the networks of others;
- ownership and operation of our communications systems; and
- our ability to acquire an interest in other communications systems.

Regulatory changes or decisions can adversely affect our results of operations. See "Regulatory Risk" within "Risk Management" for more information. Our business can also be impacted by regulations that are not specific to the telecommunications industry, such as immigration policies.

Our costs of providing services may increase from time to time as we comply with industry or legislative initiatives to address consumer protection concerns or issues such as copyright, privacy, cybercrime, and lawful access.

Generally, our spectrum and broadcasting licences are granted for a specified term and are subject to conditions for maintaining these licences. Regulators can modify these licensing conditions at any time, and they can decide not to renew a licence when it expires. If we do not comply with the conditions, a licence may be forfeited or revoked, or we may be fined.

The licences have conditions that require us, among other things, to comply with Canadian ownership restrictions of the applicable legislation. We are currently in compliance with these conditions. If we violate the requirements, we would be subject to various penalties, including the loss of a licence in extreme cases.

Wireless and broadcasting licences generally cannot be transferred without regulatory approval.

CANADIAN BROADCASTING AND TELECOMMUNICATIONS OPERATIONS

The CRTC is responsible for regulating and supervising all aspects of the Canadian broadcasting and telecommunications system. Our Canadian broadcasting operations - including our terrestrial and satellite BDUs, satellite relay distribution undertakings (SRDU), radio stations, and programming undertakings (conventional television stations, discretionary services, and on-demand services) are regulated by the CRTC under the Broadcasting Act.

The CRTC is also responsible under the Telecommunications Act for the regulation of telecommunications carriers, including:

- Wireless' mobile voice and data operations; and
- Cable's Internet and telephone services.

Our cable and telecommunications retail services are not currently subject to retail price regulation, other than the CRTC's requirement for BDUs to offer \$25/month entry-level basic television service. Regulations can and do, however, affect the terms and conditions under which we offer these services.

SPECTRUM LICENCES

Under the Radiocommunication Act and the Telecommunications Act, ISED Canada licences and oversees:

- the technical aspects of the operation of radio and television stations;
- the frequency-related operations of cable television networks; and
- spectrum for wireless communications systems in Canada.

BILLING AND CONTRACTS

We are subject to the CRTC's codes of conduct: the Wireless Code, the Television Service Provider Code, and the Internet Code. The codes impose obligations regarding contract disclosures, early cancellation fees, changes to contracts, cancellation and renewal rights of customers, and the disclosure of related costs, among other matters. See "CRTC Wireless Code of Conduct" and "CRTC Internet Code" for more information. In addition, each province has consumer protection laws that are applicable to our provision of services.

FOREIGN OWNERSHIP AND CONTROL

Non-Canadians can own and control, directly or indirectly:

- up to 33.3% of the voting shares and the related votes of a holding company that has a subsidiary operating company licensed under the Broadcasting Act, and
- up to 20% of the voting shares and the related votes of the operating licensee company.

Combined, these limits can enable effective foreign control of up to 46.7%.

The chief executive officer and 80% of the members of the board of directors of the operating licensee must be resident Canadians. There are no restrictions on the number of non-voting shares that may be held by non-Canadians at either the holding company or the licensee company level. Neither the Canadian carrier nor its parent may be otherwise controlled in fact by non-Canadians.

Pursuant to the Telecommunications Act and associated regulations, the same rules also apply to Canadian telecommunications carriers such as Wireless, except that there is no requirement that the chief executive officer be a resident Canadian. We believe we are in compliance with the foregoing foreign ownership and control requirements.

Under the Telecommunications Act, telecommunications companies with less than 10% of the total Canadian telecommunications market measured by revenue are exempt from foreign investment restrictions. Companies that are successful in growing their market shares in excess of 10% of total Canadian telecommunications market revenue other than by way of merger or acquisitions will continue to be exempt from the restrictions.

CRTC UNIVERSAL SERVICE OBJECTIVE

The CRTC has set as its universal service objective that Canadians, in urban areas as well as in rural and remote areas, have access to voice services and broadband Internet access services, on both fixed and mobile wireless networks. To measure the successful achievement of this objective, the CRTC has established several criteria, including:

- 90% of Canadian residential and business fixed broadband Internet access service subscribers should be able to access speeds of at least 50 Mbps download and 10 Mbps upload, and to subscribe to a service offering with an unlimited data allowance by 2021, with the remaining 10% of the population receiving such service by 2031; and
- the latest generally deployed mobile wireless technology should be available not only in Canadian homes and businesses, but on as many major transportation roads as possible in Canada.

To help attain the universal service objective, the CRTC intends to shift the focus of its regulatory frameworks from wireline voice services to broadband Internet access services. The following services that form part of the universal service objective are considered basic telecommunications services within the meaning of subsection 46.5(1) of the Telecommunications Act:

- fixed and mobile wireless broadband Internet access services; and
- fixed and mobile wireless voice services.

To assist in extending broadband into underserved rural and remote locations, the CRTC stated that it would establish a new broadband fund to which all entities providing Internet services in Canada must contribute. The specifics of the fund, including guiding principles, fund design, and assessment criteria, were established in Telecom Regulatory Policy CRTC 2018-377, *Development of the CRTC's Broadband Fund*, released on September 27, 2018. Two calls for applications occurred in 2019. 2020 marked the first year of payments into the fund, with a maximum funding level of \$100 million in the first year of implementation. This level was to increase by \$25 million annually over the following four years to reach an annual cap of \$200 million, with the incremental increases in years four and five contingent on a review of the fund in the third year to ensure it is being managed efficiently and is achieving its intended purpose.

A percent of revenue levy has been applied on wireline and wireless voice revenues since 2000 to support providing voice service to designated high-cost local voice serving areas and to provide a national video relay service (VRS). In 2016, pursuant to Telecom Regulatory Policy CRTC 2016-496, the CRTC updated the basic services definition to include voice and data services and set in motion the evolution of the subsidy program to transition from voice-centric subsidies to subsidies to support investment in broadband access networks through the establishment of the CRC Broadband Fund. As planned in Telecom Regulatory Policy CRTC 2018-213, the voice subsidy was eliminated in 2021.

The CRTC collected \$176 million of contributions in 2020, \$180 million in 2021, and \$194 million in 2022. On December 20, 2023, the CRTC set a final 2023 revenue-percentage charge of 0.46% and set the interim 2024 rate at 0.46%. The percent of revenue levy is applied to voice and data revenues with limited exceptions. The interim 2024 rate is subject to finalization in December 2024.

On March 23, 2023, the CRTC initiated a review of the Broadband Fund. The CRTC is considering increasing the scope of the Broadband Fund to include additional project streams and costs.

CANADA'S ANTI-SPAM LEGISLATION (CASL)

CASL sets out a comprehensive regulatory regime regarding online commerce, including requirements to obtain consent prior to sending commercial electronic messages and installing computer programs and software. CASL is administered primarily by the CRTC and non-compliance may result in fines of up to \$10 million per violation. We maintain internal practices and policies to ensure compliance with CASL.

MANDATORY NOTIFICATION OF PRIVACY BREACHES

The Personal Information Protection and Electronic Documents Act (PIPEDA), requires federally regulated private sector organizations to notify the Privacy Commissioner of Canada and impacted individuals of a privacy breach where it is reasonable to believe the breach creates a real risk of significant harm to the individual. Notification must be provided as soon as feasible after it is determined a breach occurred. Businesses must also keep records of breaches and provide these records to the Privacy Commissioner upon request. Failure to provide notification or maintain records could result in fines up to \$100,000 per violation. We fully comply with these obligations under PIPEDA.

REVIEW OF PIPEDA

On June 16, 2022, the Federal Government tabled Bill C-27, the *Digital Charter Implementation Act, 2022*, to overhaul Canada's private sector privacy legislation. It includes provisions for increased consumer control over personal information, new powers for the federal Privacy Commissioner, significant financial penalties, a Private Right of Action, new rules for protecting children's privacy, and regulates the development and deployment of artificial intelligence systems. If passed, it is expected that the legislation will include a transition window to provide organizations with sufficient time to make any necessary changes to ensure compliance.

AMENDMENTS TO THE BROADCASTING ACT

On April 27, 2023, Bill C-11, the Online Streaming Act, which amends the Broadcasting Act, received royal assent and is now law. On November 9, 2023, the Governor in Council's Policy Direction came into force, directing the CRTC, in its implementation of Bill C-11 to, among other things (i) support Canadian artists and creative industries; (ii) advance Indigenous storytelling; (iii) increase representation of equity-seeking groups; (iv) ensure regulations are equitable, fair, and flexible; (v) redefine Canadian programs; and (vi) exclude the content of social media and digital creators, including podcasts, from regulation.

The CRTC has initiated a phased approach to modernizing Canada's broadcasting framework. In phase 1, launched in May 2023, the CRTC introduced a registration requirement and conditions of service applicable to certain online streaming services and initiated a consultation to develop a framework for contributions to support the production of Canadian and Indigenous content, which included an oral hearing in November and December 2023. The focus of the hearing was to determine (i) which online undertakings will be required to make initial financial contributions; (ii) the amount of those contributions; and (iii) the possible recipients of those contributions. In phase 2, the

CRTC will review the definitions of Canadian content and consider definitions of Indigenous content and make key decisions about a new regulatory framework that will apply to traditional broadcasting undertakings and online streaming services on a corporate group basis. Phase 3 will focus on how the regulatory framework will be enacted.

MATTERS ASSOCIATED WITH NETWORK OUTAGE

On July 11, 2022, in response to the network outage that occurred on July 8, 2022, the Minister for Innovation, Science and Industry announced he had directed the major telecommunications companies in Canada to improve the resilience and reliability of their networks by ensuring formal arrangements are in place within 60 days that will address (i) emergency roaming, (ii) mutual assistance during outages, and (iii) a communication protocol to better inform the public and authorities during telecommunications emergencies. On September 7, 2022, we announced that a formal memorandum of understanding had been signed among Canada's major telecommunications carriers regarding reciprocal support for emergency roaming, mutual assistance, and communications protocols in the event of a future network outage.

On July 12, 2022, the CRTC issued a request for information asking us to respond to detailed questions and provide a comprehensive explanation regarding the network outage. The CRTC has requested a detailed account as to why and how this network outage happened, as well as what measures we will put in place to prevent future outages. On July 22, 2022, we provided responses to the CRTC's questions. On August 5, 2022, the CRTC issued a subsequent request for information, responses to which were filed by Rogers on August 22, 2022. The CRTC has engaged an external party to prepare a report and Rogers has participated in this process.

The House of Commons Standing Committee on Industry and Technology held meetings to study the network outage in July 2022, during which representatives from Rogers, amongst others, appeared.

WIRELESS

3800 MHZ SPECTRUM LICENCE BANDS

ISED Canada's 3800 MHz spectrum licence auction began on October 24, 2023 and concluded on November 24, 2023; the results were released on November 30, 2023. Twenty-two companies participated in the auction and 4,099 of 4,300 licences were awarded to twenty of those participants, with a total value of \$2.2 billion. We won 860 licences across the country at a cost of \$475 million. We made our first deposit of \$95 million on January 17, 2024 and expect to make final payment and receive the spectrum licences on May 29, 2024.

TRANSFERS, DIVISIONS, AND SUBORDINATE LICENSING OF SPECTRUM LICENCES

In June 2013, ISED Canada released Framework Relating to Transfers, Divisions and Subordinate Licensing of Spectrum Licences for Commercial Mobile Spectrum. The Framework lays out the criteria ISED Canada will consider and the processes it will use when it reviews spectrum licence transfers, including

prospective transfers that could arise from purchase or sale options and other agreements. Key items to note are that:

- ISED Canada will review all spectrum transfer requests and will not allow any that result in "undue spectrum concentration" and reduced competition. Decisions will be made on a case-by-case basis and will be issued publicly to increase transparency; and
- licensees must ask for a review within 15 days of entering into any agreement that could lead to a prospective transfer. ISED Canada will review the agreement as though the licence transfer that could arise from it has been made.

CRTC WIRELESS CODE OF CONDUCT

The CRTC's Wireless Code imposes obligations on wireless carriers on provision of wireless services to consumers and small businesses. Obligations relate to, and include, maximum contract term length, data coverage and data roaming bill caps, device unlocking rules, and contract disclosures and summaries. It also sets out the rules for device subsidies, device financing, and early cancellation fees. Under the Wireless Code, if a customer cancels a contract early, carriers can only charge the outstanding balance of the device subsidy or financing they received.

TOWER SHARING POLICY

In March 2013, ISED Canada released Revised Frameworks for Mandatory Roaming and Antenna Tower and Site Sharing, concluding a consultation initiated in 2012. It sets out the current rules for tower and site sharing, among other things. The key terms of the tower and site sharing rules are:

- all holders of spectrum licences, radio licences, and broadcasting certificates must share towers and antenna sites, where technically feasible, at commercial rates; and
- the timeframe for negotiating agreements is 60 days, after which arbitration according to ISED Canada arbitration rules will begin.

In Telecom Regulatory Policy 2015-177, *Regulatory framework for wholesale mobile wireless services*, released in May 2015, the CRTC determined that it would not mandate or require general wholesale tariffs for tower and site sharing. At the same time, it determined that its existing powers and processes are sufficient to address tower and site sharing disputes related to rates, terms, and conditions. As a result, carriers may use the arbitration process established by ISED Canada, or they may request the CRTC to intervene in the event that tower and site sharing negotiations fail.

POLICY DIRECTION TO THE CRTC ON TELECOMMUNICATIONS

On June 17, 2019, the *Order Issuing a Direction to the CRTC on Implementing the Canadian Telecommunications Policy Objectives to Promote Competition, Affordability, Consumer Interests and Innovation* came into effect. It requires the CRTC to consider competition, affordability, consumer interests, and innovation in its telecommunications decisions and to demonstrate to Canadians in those decisions that it has done so.

On February 13, 2023, the *Order Issuing a Direction to the CRTC on a Renewed Approach to Telecommunications Policy* came into effect. Building on the direction and objectives set out in the previous Order, it adds the required principles of effective regulation that the CRTC must follow. The principles most notably include transparency, predictability, coherence, and efficiency, and also state the CRTC should ensure proceedings are held, and

decisions released, in a timely manner. It also requires the CRTC to consider fixed Internet competition and mobile wireless competition, including maintaining regulatory frameworks regarding wholesale services for both fixed Internet and wholesale roaming services for mobile wireless. It also requires the CRTC to enhance and protect the rights of consumers in telecommunication markets, and to continue taking measures to support universal access to high-quality, reliable, and resilient fixed Internet and mobile wireless services.

CRTC REVIEW OF MOBILE WIRELESS SERVICES

On April 15, 2021 the CRTC issued Telecom Regulatory Policy 2021-130, *Review of mobile wireless services*. The CRTC mandated wholesale mobile virtual network operator (MVNO) access, seamless handoff for mandated wholesale roaming, and new mandatory low-cost and occasional-use retail rate plans; however, mandated MVNO access will only be provided if certain conditions are met.

The CRTC decided that mandated wholesale MVNO access must be offered by the national carriers, and SaskTel in Saskatchewan, but only made available to eligible regional wireless carriers that hold mobile spectrum licences, and only in the areas that are covered by their licences. The terms and conditions associated with mandated MVNO access must be approved by the CRTC, while rates will be subject to commercial negotiation, backstopped by final offer arbitration, with the CRTC acting as arbitrator. Mandated MVNO access will be limited to a seven-year period commencing on the date the CRTC finalizes the terms and conditions. This time limit is intended to provide the regional carriers sufficient time to expand their networks while maintaining investment incentives.

The national wireless carriers must also provide seamless handoff as part of the mandatory roaming they must offer to the regional wireless carriers. Seamless handoff will ensure that calls in progress are not dropped when customers travel outside their home network coverage and into the coverage of their roaming provider. The CRTC also directed the national wireless carriers to offer 5G roaming where the roaming network offers 5G service on its own network and to file proposed revised terms and conditions within 90 days for CRTC approval. The CRTC also mandated retail rate plans for low-cost and occasional use. These plans were implemented on July 14, 2021.

On April 6, 2022, the CRTC issued Telecom Decision CRTC 2022-102, *Updates to national wireless carriers' GSM-based wholesale mobile wireless roaming tariffs to incorporate seamless hand-off and 5G roaming*, which requires the implementation of seamless roaming, including using one-way seamless hand-off. The CRTC directed the national wireless carriers to begin accepting written requests for seamless roaming from regional wireless carriers effective immediately. The CRTC considers that its determinations in this decision will assist with the implementation of seamless roaming to the benefit of regional wireless carriers and reduce barriers to entry into the market and to competition for telecommunications service providers that are new, regional, or smaller than the incumbent national service providers.

On October 19, 2022, the CRTC issued Telecom Decision CRTC 2022-288, *Facilities-based wholesale mobile virtual network operator (MVNO) access tariffs - Commission determinations on proposed terms and conditions*, which determined that wholesale

MVNO access service is available for use by regional wireless carriers that have deployed their own home Public Mobile Network (PMN) somewhere in Canada and are also offering retail wireless services. To be eligible for the MVNO access, a regional wireless carrier must be registered with the CRTC as a wireless carrier, must have home PMN somewhere in Canada, and must be actively offering mobile wireless services commercially to retail customers. The CRTC has directed the incumbents to modify their tariffs in accordance with its determination, and noted that entities that are not currently eligible for the service may become eligible over the course of the mandate if they acquire rights to spectrum, and invest in a home PMN and start offering retail service.

CRTC DECISION ON FINAL OFFER ARBITRATION BETWEEN ROGERS AND QUEBECOR REGARDING MVNO ACCESS RATES

In Telecom Regulatory Policy CRTC 2021-130 - Review of Mobile Wireless Services, the CRTC mandated that the national carriers, including Rogers, provide mobile virtual network operator (MVNO) service to regional carriers possessing mobile spectrum licences. Under the policy, if parties are unable to agree upon commercial rates, either party may refer the dispute to the CRTC for final offer arbitration. Because Rogers and Quebecor were unable to reach an agreement, the matter was put before the CRTC. On July 24, 2023, in Telecom Decision CRTC 2023-217, the CRTC accepted Quebecor's offer and directed the parties to enter into an MVNO access agreement consistent with that offer. On August 23, 2023, we brought a motion to the Federal Court of Appeal (FCA) for leave to appeal the CRTC's decision.

ISED CANADA CONDITIONS OF LICENCE RELATING TO WIRELESS SERVICE WITHIN THE TTC SUBWAY SYSTEM

On July 24, 2023, ISED Canada announced it had initiated a Consultation on Conditions of Licence relating to the Provision of Service within the TTC subway system. On September 11, 2023, the Minister of Innovation, Science and Industry announced new spectrum licence conditions, which required carriers to (i) provide equivalent levels of service to all TTC subway riders by October 3, 2023; (ii) expand existing network coverage in order to provide full voice, text, and data services throughout the TTC subway system within specific timeframes; and (iii) provide service in all future stations and tunnels at the same time as they are made operational by the TTC. On October 2, 2023, we announced we had developed and introduced an immediate solution to activate 5G service for transit riders from all major Canadian wireless carriers in the busiest sections of the TTC subway system.

GOVERNMENT OF CANADA BUDGET 2023

The 2023 Federal Budget, published in March 2023, includes a plan to address specific fees (including unexpected, hidden, and additional fees) to continue to ensure businesses are transparent with prices and to make life more affordable for Canadians. This plan could include roaming fees charged by telecommunications companies, amongst other fees charged in other industries.

ACCESS TO SUPPORT STRUCTURES

On February 15, 2023, in Telecom Regulatory Policy 2023-31, the CRTC made several determinations intended to facilitate access to poles owned by Canadian carriers (telecommunications poles) or

poles to which Canadian carriers control access. The CRTC set expedited timelines for large telephone companies to provide competitors with access to poles, which should enable cable competitors to roll out broadband networks more quickly and efficiently and increase competition across Canada. The CRTC also clarified responsibilities for pole maintenance and the sharing of costs related to the installation of equipment and required large telephone companies to increase transparency and accountability. Provincial and territorial governments were encouraged to coordinate with telecommunications service providers and other stakeholders to facilitate network deployment.

On February 5, 2024, in Telecom Notice of Consultation CRTC 2024-25, the CRTC invited parties to comment on: the CRTC's jurisdiction over the deployment of wireless facilities on support structures owned or controlled by incumbent local exchange carriers (ILECs); the application of the current ILEC support structure tariffs to the attachment of wireless facilities; and, the requirement for competitors to obtain a permit to deploy wireless facilities on ILEC-owned or -controlled support structures. The CRTC intends to provide greater regulatory certainty to those seeking access to ILEC-owned or -controlled support structures and to promote the efficient deployment of wireless networks, including 5G-capable networks. In particular, the CRTC is examining whether it should modify existing rules that allow third parties to attach 5G small cells. The CRTC concurrently denied applications by Rogers seeking interim and final orders directing Bell and Telus to process and grant permits to attach wireless equipment in accordance with their approved support structure tariffs. The record of these applications will be incorporated into the new proceeding.

CABLE

ISED CANADA REVIEW OF THE SHAW TRANSACTION

On March 31, 2023, the Minister of Innovation, Science and Industry approved the transfer of Freedom's spectrum licences to Videotron, following which the Shaw Transaction and Freedom Transaction closed on April 3, 2023. As part of the regulatory approval process, we have agreed to certain legally enforceable undertakings with ISED Canada, which reflect commitments we made when the Shaw Transaction was announced, including:

- \$1 billion of investments over five years to connect rural, remote, and Indigenous communities across Western Canada and to close critical connectivity gaps faster for underserved areas, including to make broadband Internet services available where broadband Internet at a minimum 50 megabit per second (Mbps) download speeds and 10 Mbps upload speeds is not currently available and to make 5G wireless service available where mobile service using long-term evolution (LTE) is not available;
- \$2.5 billion of investments over five years to enhance and expand 5G coverage across Western Canada and \$3 billion over five years related to additional network, services, and technology investments, including the expansion of our Cable network;
- expanding Connected for Success, our low-cost, high-speed Internet program, to low-income Canadians across Western Canada and implementing a new Connected for Success wireless program for low-income Canadians across Canada, such

that Connected for Success will be available to more than 2.5 million eligible Canadians within five years;

- maintaining a strong presence in Western Canada, including creating 3,000 new jobs within five years (and maintaining those jobs until the tenth anniversary of closing) and maintaining a Western Canada headquarters in Calgary for at least ten years; and
- continuing to offer wireless plans to existing Shaw Mobile customers as at the closing date with the same terms and conditions (including eligibility) as the Shaw Mobile plans that were available as at the closing date for five years.

We will report on our progress towards each of these undertakings every year until such commitments have been met or for up to ten years after the closing date of the Shaw Transaction, whichever is earlier, including through a report that will be posted publicly on our website. If any material element of any of the above commitments is not met, we could be liable to pay ISED Canada \$100 million in damages per year (to a maximum of \$1 billion) until the earlier of (i) such material elements having been met or fulfilled or (ii) ten years after the closing date of the Shaw Transaction.

COPYRIGHT RETRANSMISSION OF DISTANT SIGNALS

The Copyright Board of Canada establishes the royalties paid for the use of copyrighted works, including the rates that our broadcasting undertakings pay for the broadcast and distribution of audio and audiovisual works. Pursuant to section 31(2) of the Copyright Act, BDUs are permitted to retransmit programming within distant over-the-air television signals as part of a compulsory licensing regime pursuant to the rates approved by the Copyright Board.

On December 18, 2018, the Board released the approved rates for the 2014-2018 tariff period (Initial Rate Decision). The Copyright Collectives and the BDUs each collectively sought judicial review of the Initial Rate Decision. On July 22, 2021, the FCA directed the Copyright Board to correct certain errors in connection with its Initial Rate Decision. On January 12, 2024, the Copyright Board issued its decision in the redetermination of the 2014-2018 tariff period (Redetermination Decision), which reduced the monthly per-subscriber rates for the years 2015-2018 on a retroactive basis. On February 9, 2024, the Collectives made an application to the FCA seeking judicial review of the Redetermination Decision. The Collectives may seek judicial review of the Redetermination Decision. If the Redetermination Decision is not upheld, we could become subject to significantly increased royalty rates for the 2016-2018 period, negatively impacting our financial results.

A Copyright Board hearing to set the rates for one or both of the subsequent tariff periods (2019-2023 and 2024-2028) could start in late 2024. If, pursuant to any such hearing, the Copyright Board issues a decision that aligns with the Collectives' proposed tariff rates for either of such subsequent periods, we could become subject to significantly higher royalty rates, negatively impacting our financial results.

CRTC INTERNET CODE

The Internet Code is a mandatory code of conduct for large, facilities-based ISPs and related affiliates that applies to the companies' provision of fixed wireline Internet access services to individual customers. Obligations relate to and include maximum contract term length, early cancellation fees, contract disclosures and summaries, and notice prior to service cancellations.

WHOLESALE INTERNET COSTING AND PRICING

On August 15, 2019, in Telecom Order CRTC 2019-288, *Follow-up to Telecom Orders 2016-396 and 2016-448 - Final rates for aggregated wholesale high-speed access (HSA) services* (2019 Order), the CRTC set final rates for facilities-based carriers' wholesale HSA, including Rogers' TPIA service. Rogers in conjunction with the other large Canadian cable companies (Cable Carriers) appealed the decision to the Federal Court of Appeal (Court). On September 10, 2020, the FCA dismissed the Cable Carriers' appeal and vacated the interlocutory stay previously granted. On February 25, 2021, a motion for Leave to Appeal the FCA's decision with the Supreme Court of Canada was dismissed without reasons.

On November 13, 2019, Rogers, in conjunction with the other Cable Carriers, filed an appeal of the 2019 Order with the Federal Cabinet. On August 15, 2020, the Federal Cabinet recognized that the final rates did not always appropriately balance the policy objectives of the wholesale network and were concerned that they would undermine investment in high-quality networks; however, they decided not to refer the matter back to the CRTC, given that a review and vary application filed by Rogers and the other Cable Carriers was already before the CRTC.

On December 13, 2019, Rogers, in conjunction with the other Cable Carriers, filed an Application with the CRTC seeking review and variance and stay of the 2019 Order. On September 28, 2020, the CRTC issued a Stay of Order 2019-288 pending review of the appropriateness of the rates established in the 2019 Order.

On May 27, 2021, the CRTC released Telecom Decision CRTC 2021-181 (2021 Decision) in which it adopted the interim rates in effect prior to the 2019 Order as the final rates, with certain modifications, including the removal of the supplementary markup of 10% for incumbent local exchange carriers.

On May 28, 2021, a wholesale ISP petitioned the Governor in Council to, among other things, restore the 2019 Order and make the rates established in that order final. In addition, on June 28, 2021, the same wholesale ISP filed a motion seeking leave to appeal the 2021 Decision to the Federal Court of Appeal, which was granted on September 15, 2021. We, along with several other cable companies, have intervened in these matters.

CRTC REVIEW OF WHOLESALE WIRELINE TELECOMMUNICATIONS SERVICES

On July 22, 2015, the CRTC released its decision on the regulatory framework for wholesale wireline services (Telecom Regulatory Policy 2015-326, *Review of wholesale wireline services and associated policies*), determining which wireline services, and under what terms and conditions, facilities-based telecommunications carriers must make available to other telecommunications service providers, such as resellers. The CRTC determined that wholesale high-speed access services, which are used to support retail competition for services, such as local phone, television, and Internet access, would continue to be mandated. The provision of provincially aggregated services, however, would no longer be mandated and would be phased out in conjunction with the implementation of a disaggregated service with connections at telephone company central offices and cable company head-ends. The requirement to implement disaggregated wholesale high-speed access services will include making them available over fibre-to-the-premises (FTTP) access facilities. Regulated rates will continue to be based on long-run increment cost studies.

On September 20, 2016, the CRTC released Telecom Decision CRTC 2016-379, *Follow-up to Telecom Regulatory Policy 2015-326 - Implementation of a disaggregated wholesale high-speed access service, including over fibre-to-the premises access facilities*, addressing the technical implementation of new, disaggregated, high-speed access TPIA, a service that will provide access to FTTP facilities as ordered in the CRTC's July 22, 2015 ruling. The decision is consistent with the positions submitted by Rogers in our filings. Proposed tariffs and supporting cost studies for the new service were filed on January 9, 2017, with further information filed later in 2017 and 2018. A decision on final rates was anticipated in 2020 but was temporarily suspended on June 11, 2020 by CRTC Telecom Notice of Consultation 2020-187, *Call for comments - Appropriate network configuration for disaggregated wholesale high-speed access services*.

On March 8, 2023, the CRTC released Telecom Notice of Consultation CRTC 2023-56 to provide notice of a public hearing to be held for its review of the existing framework for wholesale HSA services in light of changing market conditions, the significant challenges in implementing the framework, and the importance to Canadians of having access to greater choice and more affordable services. The CRTC had requested comments on several issues, including the preliminary views that (i) the provision of aggregated wholesale HSA services should be mandated; (ii) access to FTTH facilities should be provided over these services; and (iii) the provision of FTTH facilities over aggregated wholesale HSA services should be mandated on a temporary and expedited basis until the CRTC reaches a decision as to whether such access is to be provided indefinitely.

On November 6, 2023, the CRTC released Telecom Decision CRTC 2023-358, mandating the incumbent local exchange carriers to provide competitors with access to their FTTH facilities over aggregated wholesale HSA in Quebec and Ontario by May 7, 2024. The CRTC found that the hybrid fibre-coaxial networks of cable carriers, such as Rogers, already service the majority of wholesale-based competitors and concluded that, given the temporary nature of the aggregated FTTH access mandate being considered, it would be neither efficient nor proportionate to mandate cable carriers to implement it. The public hearing on wholesale wireline telecommunications services commenced on February 12, 2024.

TELEVISION SERVICES DISTRIBUTION

Distributors are required to offer customers an option for a small basic service consisting only of Canadian local channels (local radio is optional), national mandatory services, community and provincial legislature channels, and, should they wish, US 4+1 networks. The retail rate for this entry-level service is capped at \$25 per month (excluding equipment). Further, all channels above the basic tier must be offered on an à la carte basis and in smaller, reasonably priced packages. As a BDU, we are permitted to continue to offer our existing basic service and programming packages. Consumers have to be offered, but will not have to receive, a majority of Canadian services.

All licensed programmers and BDUs must also comply with the Wholesale Code. Distributors of foreign services are required to make their channels available on an à la carte basis and in "pick-packs" or smaller pre-assembled packages and abide by the Wholesale Code.

LICENCE RENEWAL DECISIONS

On August 8, 2023, pursuant to Broadcasting Decision CRTC 2023-245, the CRTC administratively renewed our television stations, discretionary services, on-demand services (video-on-demand and terrestrial PPV), and terrestrial BDUs until August 31, 2026. On December 14, 2023, pursuant to Broadcasting Decision CRTC 2023-413, the CRTC administratively renewed our direct-to-home (DTH) PPV licence until August 31, 2026. Our DTH BDU and SRDU licences were renewed in November 2019, each with a seven-year term expiring August 31, 2026. The licences for our commercial radio stations, which we operate in British Columbia, Alberta, Manitoba, Ontario, and Nova Scotia, have been individually renewed at various times, with terms expiring between August 31, 2026, and August 31, 2030.

MEDIA

THE ONLINE NEWS ACT

On June 22, 2023, Bill C-18, the Online News Act, received royal assent and became law. This act aims to enhance fairness in the Canadian digital marketplace and to contribute to the sustainability of the Canadian news sector by establishing a bargaining framework for commercial agreements between the largest digital platforms and news businesses. On December 15, 2023, the Government of Canada released the final regulations establishing the factors that determine if the Online News Act applies to a digital platform and when it is required to notify the CRTC. The regulations direct the CRTC on how to determine if a digital platform qualifies for an exemption from mandatory bargaining and final offer arbitration. Digital platforms that operate a search engine or social media service in Canada are captured if they distribute news in Canada and have total global revenues of \$1 billion or more and 20 million or more Canadian users/visitors. The total amount that can be received by broadcasters has been

capped at no more than 30% and will be administered by the Canadian Association of Broadcasters.

By early March 2024, the CRTC is expected to launch its public consultation on the formal bargaining process, undue preference, and information gathering. In Spring 2024, we expect the CRTC will issue a call for proposals for an independent auditor, who will prepare an annual report on the impact of the Act on Canada's digital news marketplace. In Summer or Fall 2024, we expect CRTC decisions setting out the regulatory framework and a public consultation to establish a code of conduct for bargaining. The CRTC will also recruit qualified independent arbitrators and begin further information gathering. The CRTC plan will be updated as needed and requests from online platforms for exemption will be subject to a public proceeding.

REVIEW OF COMMERCIAL RADIO POLICY

On December 7, 2022, the CRTC released its decision on the review of the Commercial Radio Policy, which had not been updated since 2006. The primary policy consideration put forward by the industry was a relaxation of the Common Ownership Policy, which restricts the number of stations an owner can operate in any individual market as well as the bands (AM/FM) in which they broadcast. The CRTC did not relax its common ownership policy that relates to the number of radio stations that can be commonly owned (4) in markets served by more than 8 commercial radio stations but did make minor modifications to AM/FM band restrictions to now allow ownership of 3 FM stations in a market. On August 22, 2023 the CRTC issued Broadcasting Information Bulletin CRTC 2023-278 announcing it will defer the examination of any new application or complaint relating to radio for approximately two years.

Other Information

ACCOUNTING POLICIES

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Management makes judgments, estimates, and assumptions that affect how accounting policies are applied, the amounts we report in assets, liabilities, revenue, and expenses, and our related disclosure about contingent assets and liabilities. Significant changes in our assumptions, including those related to our future business plans and cash flows, could materially change the amounts we record. Actual results could be different from these estimates.

These estimates are critical to our business operations and understanding our results of operations. We may need to use additional judgment because of the sensitivity of the methods and assumptions used in determining the asset, liability, revenue, and expense amounts.

ESTIMATES

REVENUE FROM CONTRACTS WITH CUSTOMERS

Determining the transaction price

The transaction price is the amount of consideration that is enforceable and to which we expect to be entitled in exchange for the goods and services we have promised to our customer. We determine the transaction price by considering the terms of the contract and business practices that are customary within that particular line of business. Discounts, rebates, refunds, credits, price concessions, incentives, penalties, and other similar items are reflected in the transaction price at contract inception.

Determining the stand-alone selling price and the allocation of the transaction price

The transaction price is allocated to performance obligations based on the relative stand-alone selling prices of the distinct goods or services in the contract. The best evidence of a stand-alone selling price is the observable price of a good or service when the entity sells that good or service separately in similar circumstances and to similar customers. If a stand-alone selling price is not directly observable, we estimate the stand-alone selling price taking into account reasonably available information relating to the market conditions, entity-specific factors, and the class of customer.

In determining the stand-alone selling price, we allocate revenue between performance obligations based on expected minimum enforceable amounts to which we are entitled. Any amounts above the minimum enforceable amounts are recognized as revenue as they are earned.

LEASES

We estimate the lease term by considering the facts and circumstances that can create an economic incentive to exercise an extension option, or not exercise a termination option. We make certain qualitative and quantitative assumptions when deriving the value of the economic incentive.

USEFUL LIVES

We depreciate the cost of property, plant and equipment over their estimated useful lives by considering industry trends and company-specific factors, including changing technologies and expectations for the in-service period of certain assets at the time. We reassess our estimates of useful lives annually, or when circumstances change, to ensure they match the anticipated life of the technology from a revenue-producing perspective. If technological change happens more quickly, or in a different way, than anticipated, we might have to reduce the estimated life of property, plant and equipment, which could result in a higher depreciation expense in future periods or an impairment charge to write down the value. We monitor and review our depreciation rates and asset useful lives at least once a year and change them if they are different from our previous estimates. We recognize the effect of changes in estimates in net income prospectively.

CAPITALIZING DIRECT LABOUR, OVERHEAD, AND INTEREST

Certain direct labour, overhead, and interest costs associated with the acquisition, construction, development, or improvement of our networks are capitalized to "property, plant and equipment". The capitalized amounts are calculated based on estimated costs of projects that are capital in nature, and are generally based on a per-hour rate. In addition, interest costs are capitalized during development and construction of certain property, plant and equipment. Capitalized amounts increase the cost of the asset and result in a higher depreciation expense in future periods.

IMPAIRMENT OF ASSETS

Indefinite-life intangible assets (including goodwill and spectrum and/or broadcast licences) are assessed for impairment on an annual basis, or more often if events or circumstances warrant, and finite-life assets (including property, plant and equipment and other intangible assets) are assessed for impairment if events or circumstances warrant. The recoverable amount of a cash-generating unit (CGU) involves significant estimates such as future cash flows, terminal growth rates, and discount rates. If key estimates differ unfavourably in the future, we could experience impairment charges that could decrease net income.

FINANCIAL INSTRUMENTS

The fair values of our derivatives are recorded using an estimated credit-adjusted mark-to-market valuation. If the derivatives are in an asset position (i.e. the counterparty owes Rogers), the credit spread for the bank counterparty is added to the risk-free discount rate to determine the estimated credit-adjusted value. If the derivatives are in a liability position (i.e. Rogers owes the counterparty), our credit spread is added to the risk-free discount rate. The estimated credit-adjusted value of derivatives requires assessment of the credit risk of the parties to the instruments and the instruments' discount rates.

For all derivative instruments where hedge accounting is applied, we are required to ensure that the hedging relationships meet hedge effectiveness criteria. Hedge effectiveness testing requires the use of both judgments and estimates.

PENSION BENEFITS

When we account for defined benefit pension plans, assumptions are made in determining the valuation of benefit obligations. Assumptions and estimates include the discount rate, the rate of future compensation increase, and the mortality rate. Changes to these primary assumptions and estimates would affect the pension expense, pension asset and liability, and other comprehensive income. Changes in economic conditions, including financial markets and interest rates, may also have an impact on our pension plans, as there is no assurance that the plans will be able to earn the assumed rate of return. Market-driven changes may also result in changes in the discount rates and other variables that could require us to make contributions in the future that differ significantly from the current contributions and assumptions incorporated into the actuarial valuation process.

Below is a summary of the effect an increase or decrease in the primary assumptions and estimates would have had on our accrued benefit obligation as at December 31, 2023.

(In millions of dollars)	Increase (decrease) in accrued benefit obligation
Discount rate	
Impact of 0.5% increase	(183)
Impact of 0.5% decrease	208
Rate of future compensation increase	
Impact of 0.25% increase	13
Impact of 0.25% decrease	(13)
Mortality rate	
Impact of 1 year increase	38
Impact of 1 year decrease	(42)

STOCK-BASED COMPENSATION

Stock option plans

Our employee stock option plans attach cash-settled share appreciation rights (SARs) to all new and previously granted options. The SAR feature allows the option holder to elect to receive a cash payment equal to the intrinsic value of the option, instead of exercising the option and acquiring Class B Non-Voting Shares. We measure stock-based compensation to employees at fair value. We determine the fair value of options using our Class B Non-Voting Share price and option pricing models, and record all outstanding stock options as liabilities. The liability is marked to market each period and is amortized to expense using a graded vesting approach over the period during which employee services are rendered, or over the period to the date an employee is eligible to retire, whichever is shorter. The expense in each period is affected by the change in the price of our Class B Non-Voting Shares during the period.

Restricted share unit (RSU) and deferred share unit (DSU) plans

We recognize outstanding RSUs and DSUs as liabilities, measuring the liabilities and compensation costs based on the awards' fair values, which are based on the market price of the Class B Non-Voting Shares, and recognizing them as charges to "operating costs" over the vesting period of the awards. If an

award's fair value changes after it has been granted and before the exercise date, we recognize the resulting changes in the liability within "operating costs" or "restructuring, acquisition and other", as applicable, in the year the change occurs. For RSUs, the payment amount is established as of the vesting date. For DSUs, the payment amount is established as of the exercise date.

BUSINESS COMBINATIONS

We use estimates in determining the value of assets acquired and liabilities assumed in business combinations, most significantly property, plant and equipment and intangible assets, including the related deferred tax impacts.

Valuation of acquired property, plant and equipment can be complex and may require significant estimation, including characteristics such as size, age, replacement cost, and other characteristics of different assets. Each of these characteristics can have a significantly different cost to build or replace, and therefore fair value.

Property, plant and equipment (other than land and building) is often valued using a depreciated replacement cost approach, which requires estimating the gross replacement cost of each asset (either through direct comparison to current prices or by applying inflationary factors to historical costs) and then applying a depreciation factor to reflect the age of the in-service asset.

Land and building assets are often valued using an income approach (for buildings) and a direct market comparison approach (for the underlying land). This involves assessing comparable properties in the relevant markets to identify characteristics, such as vacancy rates and income capitalization rates, to apply to the valuation of each building. Land is often valued by comparing to similar plots of land in the relevant markets.

JUDGMENTS

REVENUE FROM CONTRACTS WITH CUSTOMERS

Distinct goods and services

We make judgments in determining whether a promise to deliver goods or services is considered distinct. We account for individual products and services separately if they are distinct (i.e. if a product or service is separately identifiable from other items in the bundled package and if the customer can benefit from it). The consideration is allocated between separate products and services in a bundle based on their stand-alone selling prices. For distinct items we do not sell separately, we estimate stand-alone selling prices using the adjusted market assessment approach.

Residual value arrangements

Under certain customer offers, we allow customers to defer a component of the device cost until contract termination. We use judgment in determining whether these arrangements constitute revenue-generating arrangements or leases. In making this determination, we use judgment to assess the extent of control over the devices that passes to our customer, including whether the customer has a significant economic incentive at contract inception to return the device at contract termination.

LEASES

We make judgments in determining whether a contract contains an identified asset. The identified asset should be physically distinct or represent substantially all of the capacity of the asset, and should provide us with the right to substantially all of the economic benefits from the use of the asset.

We also make judgments in determining whether or not we have the right to control the use of the identified asset. We have that right when we have the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decisions about how and for what purpose the asset is used are predetermined, we have the right to direct the use of the asset if we have the right to operate the asset or if we designed the asset in a way that predetermines how and for what purpose the asset will be used.

We make judgments in determining the incremental borrowing rate used to measure our lease liability for each lease contract, including an estimate of the asset-specific security impact. The incremental borrowing rate should reflect the interest that we would have to pay to borrow at a similar term and with a similar security.

Certain of our leases contain extension or renewal options that are exercisable only by us and not by the lessor. At lease commencement, we assess whether we are reasonably certain to exercise any of the extension options based on our expected economic return from the lease. We typically exercise extension options on our network leases, primarily due to the significant cost that would be required to relocate our network towers and related equipment. We periodically reassess whether we are reasonably certain to exercise the options and account for any changes at the date of the reassessment.

USEFUL LIVES AND DEPRECIATION AND AMORTIZATION METHODS

We make significant judgments in choosing methods for depreciating our property, plant and equipment that we believe most accurately represent the consumption of benefits derived from those assets and are most representative of the economic substance of the intended use of the underlying assets.

We amortize the cost of intangible assets with finite lives over their estimated useful lives. We review their useful lives, residual values, and the amortization methods at least once a year.

We do not amortize intangible assets with indefinite lives (spectrum licences, broadcast licences, and certain brand names) as there is no foreseeable limit to the period over which these assets are expected to generate net cash inflows for us. We make judgments to determine that these assets have indefinite lives, analyzing all relevant factors, including the expected usage of the asset, the typical life cycle of the asset, and anticipated changes in the market demand for the products and services the asset helps generate. After review of the competitive, legal, regulatory, and other factors, it is our view that these factors do not limit the useful lives of our spectrum licences, broadcast licences, and certain brand names.

Judgment is also applied in choosing methods for amortizing our intangible assets and program rights that we believe most accurately represent the consumption of those assets and are most representative of the economic substance of the intended use of the underlying assets.

IMPAIRMENT OF ASSETS

We make judgments in determining CGUs and the allocation of goodwill to CGUs or groups of CGUs for the purpose of impairment testing. The allocation of goodwill involves considerable management judgment in determining the CGUs (or groups of CGUs) that are expected to benefit from the synergies of a business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Goodwill and indefinite-life intangible assets are allocated to CGUs (or groups of CGUs) based on the level at which management monitors goodwill, which is not higher than an operating segment. In particular for Media, we have determined that goodwill is monitored and should be tested for impairment at the Media segment level as a whole, rather than at the underlying business by business level, based on the interdependencies across Media and how it sells and goes to market.

RESTRUCTURING, ACQUISITION AND OTHER COSTS

We make significant judgments in determining the appropriate classification of costs to be included in restructuring, acquisition and other.

HEDGE ACCOUNTING

We make significant judgments in determining whether our financial instruments qualify for hedge accounting, including our determination of hedge effectiveness. These judgments include assessing whether the forecast transactions designated as hedged items in hedging relationships will materialize as forecast, whether the hedging relationships designated as effective hedges for accounting purposes continue to qualitatively be effective, and determining the methodology to determine the fair values used in testing the effectiveness of hedging relationships.

SEGMENTS

We make significant judgments in determining our operating segments. These are components that engage in business activities from which they may earn revenue and incur expenses, for which operating results are regularly reviewed by our chief operating decision makers to make decisions about resources to be allocated and to assess component performance, and for which discrete financial information is available.

INCOME TAXES AND OTHER TAXES

We accrue income and other tax provisions based on information currently available in each of the jurisdictions in which we operate. While we believe we have paid and provided for adequate amounts of tax, our business is complex and significant judgment is required in interpreting how tax legislation and regulations apply to us. Our tax filings are subject to audit by the relevant government revenue authorities and the results of the government audit could materially change the amount of our actual income tax expense, income tax payable or receivable, other taxes payable or receivable, and deferred income tax assets and liabilities and could, in certain circumstances, result in the assessment of interest and penalties.

CONTINGENCIES

Considerable judgment is involved in the determination of contingent liabilities. Our judgment is based on information currently known to us, and the probability of the ultimate resolution of the contingencies. If it becomes probable that a contingent liability will result in an outflow of economic resources, we will record a provision in the period the change in probability occurs. The amount of the loss involves judgment based on information available at that time. Any provision recognized for a contingent liability could be material to our consolidated financial position and results of operations.

ONEROUS CONTRACTS

Judgment is required to determine when we are subject to unavoidable costs arising from onerous contracts. These judgments may include, for example, whether a certain promise is legally binding or whether we may be successful in negotiations with the counterparty.

BUSINESS COMBINATIONS

We use significant judgment to determine what is, and what is not, part of a business combination, including the timing of when control transfers to us. This requires assessing the nature of other transactions entered into with the acquiree to ensure we account for the business combination using only the consideration transferred for the assets acquired and liabilities assumed in the exchange.

We also use significant judgment in determining the valuation methodologies applied to various assets and liabilities.

ASSETS HELD FOR SALE

Classifying assets or disposal groups as held for sale can require significant judgment in determining if the sale is highly probable, especially for larger assets or disposal groups. This requires an assessment of, among other things, whether management is committed to the sale and it is unlikely significant changes to the disposal plan will be made.

TRANSACTIONS WITH RELATED PARTIES

We have entered into certain transactions in the normal course of business with related parties in which we have an equity interest, being primarily MLSE (primarily broadcasting rights) and Glentel (Wireless distribution support). The amounts received from or paid to these parties were as follows:

(In millions of dollars)	Years ended December 31		
	2023	2022	% Chg
Revenue	36	74	(51)
Purchases	203	194	5

We have entered into business transactions with Dream Unlimited Corp. (Dream), which is controlled by our Director Michael J. Cooper. Dream is a real estate company that rents spaces in office and residential buildings. Total amounts paid to this related party were nominal for each of 2023 and 2022.

During the year, Vancouver Professional Baseball LLP ceased being a related party to us as our Director John C. Kerr no longer controlled the entity. There were no transactions with this related party during the period it was related to us this year and total amounts were nominal in 2022.

We have also entered into certain transactions with our controlling shareholder and companies it controls. These transactions are subject to formal agreements approved by the Audit and Risk Committee. Total amounts paid to these related parties generally reflect the charges to Rogers for occasional business use of aircraft, net of other administrative services, and were less than \$1 million for each of 2023 and 2022.

On closing of the Shaw Transaction, we entered into an advisory agreement with Brad Shaw in accordance with the arrangement agreement, pursuant to which he will be paid \$20 million for a two-year period following closing in exchange for performing certain services related to the transition and integration of Shaw, of which \$8 million was recognized in net income and paid during the year ended December 31, 2023. We have also entered into certain other transactions with the Shaw Family Group. Total amounts paid to the Shaw Family Group in 2023 were under \$1 million. We also assumed a liability of \$102 million through the Shaw Transaction related to a legacy pension arrangement with one of our directors whereby the director will be paid \$1 million per month until March 2035.

We recognize these transactions at the amount agreed to by the related parties, which are also reviewed by the Audit and Risk Committee. The amounts owing for these services were unsecured, interest-free, and due for payment in cash within one month of the date of the transaction.

NEW ACCOUNTING PRONOUNCEMENTS ADOPTED IN 2023

We adopted the following IFRS amendments in 2023. They did not have a material effect on our financial statements.

- IFRS 17, *Insurance Contracts*, a replacement of IFRS 4, *Insurance Contracts*, that aims to provide consistency in the application of accounting for insurance contracts.
- Amendments to IAS 1, *Presentation of Financial Statements – Disclosure of Accounting Policies*, requiring entities to disclose material, instead of significant, accounting policy information.
- Amendments to IAS 8, *Accounting Policies – Changes in Accounting Estimates and Errors*, clarifying the definition of “accounting policies” and “accounting estimates”.
- Amendments to IAS 12, *Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*, narrowing the scope for exemption when recognizing deferred taxes.

RECENT ACCOUNTING PRONOUNCEMENTS NOT YET ADOPTED

The IASB has issued the following new standard and amendments that will become effective in future years:

- Amendments to IFRS 16, *Leases – Lease Liability in a Sale and Leaseback*, clarifying subsequent measurement requirements for sale and leaseback transactions for sellers-lessees. (January 1, 2024).
- Amendments to IAS 1, *Presentation of Financial Statements – Classification of Liabilities as Current or Noncurrent*, clarifying the classification requirements in the standard for liabilities as current or non-current (January 1, 2024).
- Amendments to IAS 1, *Presentation of Financial Statements – Non-current Liabilities with Covenants*, modifying the 2020 amendments to IAS 1 to further clarify the classification,

presentation, and disclosure requirements in the standard for non-current liabilities with covenants (January 1, 2024).

- Amendments to IAS 7, *Statement of Cash Flows* and IFRS 7, *Financial Instruments: Disclosures - Supplier Finance Arrangements*, adding disclosure requirements that require entities to provide qualitative and quantitative information about supplier finance arrangements (January 1, 2024).
- Amendments to IAS 21, *The Effects of Changes in Foreign Exchange Rates*, specifying how to assess whether a currency is exchangeable and how to determine a spot exchange rate if it is not (January 1, 2025).

We are assessing the impacts, if any, the amendments to existing standards will have on our consolidated financial statements, and we currently do not expect any material impacts.

KEY PERFORMANCE INDICATORS

We measure the success of our strategy using a number of key performance indicators, which are outlined below. We believe these key performance indicators allow us to appropriately measure our performance against our operating strategy and against the results of our peers and competitors. The following key performance indicators, some of which are supplementary financial measures (see "Non-GAAP and Other Financial Measures"), are not measurements in accordance with IFRS. They include:

- subscriber counts;
 - Wireless;
 - Cable; and
 - homes passed (Cable);
- Wireless subscriber churn (churn);
- Wireless mobile phone average revenue per user (ARPU);
- Cable average revenue per account (ARPA);
- Cable customer relationships;
- Cable market penetration (penetration);
- capital intensity;
- total service revenue;
- dividend payout ratios; and
- return on assets.

SUBSCRIBER COUNTS

We determine the number of subscribers to our services based on active subscribers. When subscribers are deactivated, either voluntarily or involuntarily for non-payment, they are considered deactivations in the period the services are discontinued. We use subscriber counts to measure our core business performance and ability to benefit from recurring revenue streams. We use homes passed (Cable) as a measure for our potential market penetration within a defined geographical area.

Subscriber count (Wireless)

- A wireless subscriber is represented by each identifiable telephone number.
- We report wireless subscribers in two categories: postpaid mobile phone and prepaid mobile phone. Postpaid and prepaid include voice-only subscribers and subscribers with service plans including both voice and data.
- Usage and overage charges for postpaid subscribers are billed a month in arrears. Prepaid subscribers cannot incur usage and/or overage charges in excess of their plan limits or account balance.

- Wireless prepaid subscribers are considered active for a period of 30 days from the date of their last revenue-generating usage.

Subscriber count (Cable)

- Cable retail Internet, Video, and Smart Home Monitoring subscribers are represented by a dwelling unit; Cable Home Phone subscribers are represented by line counts.
- When there is more than one unit in a single dwelling, such as an apartment building, each tenant with cable service is counted as an individual subscriber, whether the service is invoiced separately or included in the tenant's rent. Institutional units, such as hospitals or hotels, are each considered one subscriber.
- Cable retail Internet, Video, Smart Home Monitoring, and Home Phone subscribers include only those subscribers who have service installed and operating, and who are being billed accordingly.
- Subscriber counts exclude satellite subscribers, certain business services delivered over our fibre network and data centre infrastructure, and circuit-switched local and long distance voice services and legacy data services where access is delivered using leased third-party network elements and tariffed ILEC services.

SUBSCRIBER CHURN

Subscriber churn (churn) is a measure of the number of subscribers that deactivated during a period as a percentage of the total subscriber base, usually calculated on a monthly basis. Churn measures our success in retaining our subscribers. We calculate it by dividing the number of Wireless subscribers that deactivated (usually in a month) by the aggregate numbers of subscribers at the beginning of the period. When used or reported for a period greater than one month, churn represents the sum of the number of subscribers deactivating for each period divided by the sum of the aggregate number of subscribers at the beginning of each period.

MOBILE PHONE AVERAGE REVENUE PER USER (WIRELESS)

Mobile phone ARPU helps us identify trends and measure our success in attracting and retaining higher-value subscribers. Mobile phone ARPU is a supplementary financial measure. See "Non-GAAP and Other Financial Measures" for an explanation as to the composition of this measure.

AVERAGE REVENUE PER ACCOUNT (CABLE)

Average revenue per account (ARPA) measures total average spending by a single customer account on Cable products. We use it to identify trends and measure our success in attracting and retaining multiple-service accounts. ARPA is also a supplementary financial measure. See "Non-GAAP and Other Financial Measures" for an explanation as to the composition of this measure.

CUSTOMER RELATIONSHIPS

Customer relationships are represented by dwelling units where at least one of our Cable services (i.e. retail Internet, legacy television or Ignite TV, and/or home phone) are installed and operating, and the service or services are billed accordingly. When there is more than one unit in one dwelling, such as an apartment building, each tenant with at least one of our Cable services is counted as an individual customer relationship, whether the service is invoiced separately or included in the tenant's rent. Institutional units, like hospitals or hotels, are each considered one customer relationship.

MARKET PENETRATION

Market penetration (penetration) measures our success at attracting new households to our brands and products within our network footprint. Market penetration is calculated by dividing customer relationships by homes passed. An increasing market penetration rate reflects more new customer relationships than new homes passed.

CAPITAL INTENSITY

Capital intensity allows us to compare the level of our capital expenditures to that of other companies within the same industry. Our capital expenditures do not include expenditures on spectrum licences or additions to right-of-use assets. We use it to evaluate the performance of our assets and when making decisions about capital expenditures. We believe that certain investors and analysts use capital intensity to measure the performance of asset purchases and construction in relation to revenue. Capital intensity is also a supplementary financial measure. See “Non-GAAP and Other Financial Measures” for an explanation as to the composition of this measure.

TOTAL SERVICE REVENUE

We use total service revenue to measure our core business performance from the provision of services to our customers separate from revenue generated from the sale of equipment we have acquired from device manufacturers and resold. Included in this metric is our retail revenue from Today's Shopping Choice and the Toronto Blue Jays, which are also core to our business. We calculate total service revenue by subtracting equipment revenue from total revenue.

DIVIDEND PAYOUT RATIOS

We calculate the dividend payout ratio by dividing dividends declared for the year by net income or free cash flow for the year. We use dividends as a percentage of net income and free cash flow to conduct analysis and assist with determining the dividends we should pay. Dividend payout ratio of net income and dividend payout ratio of free cash flow are also supplementary financial measures. See “Non-GAAP and Other Financial Measures” for an explanation as to the composition of these measures.

RETURN ON ASSETS

We use return on assets to measure our efficiency in using our assets to generate net income. Return on assets is also a supplementary financial measure. See “Non-GAAP and Other Financial Measures” for an explanation as to the composition of this measure.

NON-GAAP AND OTHER FINANCIAL MEASURES

We use the following “non-GAAP financial measures” and other “specified financial measures” (each within the meaning of applicable Canadian securities laws). These are reviewed regularly by management and the Board in assessing our performance and making decisions regarding the ongoing operations of our business and its ability to generate cash flows. Some or all of these measures may also be used by investors, lending institutions, and credit rating agencies as indicators of our operating performance, of our ability to incur and service debt, and as measurements to value companies in the telecommunications sector. These are not standardized measures under IFRS, so may not be reliable ways to compare us to other companies.

Non-GAAP financial measures			
<i>Specified financial measure</i>	<i>How it is useful</i>	<i>How we calculate it</i>	<i>Most directly comparable IFRS financial measure</i>
Adjusted net income	<ul style="list-style-type: none"> To assess the performance of our businesses before the effects of the noted items, because they affect the comparability of our financial results and could potentially distort the analysis of trends in business performance. Excluding these items does not imply that they are non-recurring. 	Net (loss) income add (deduct) restructuring, acquisition and other; loss (recovery) on sale or wind down of investments; loss (gain) on disposition of property, plant and equipment; (gain) on acquisitions; loss on non-controlling interest purchase obligations; loss on repayment of long-term debt; loss on bond forward derivatives; depreciation and amortization on fair value increment of Shaw Transaction-related assets; and income tax adjustments on these items, including adjustments as a result of legislative or other tax rate changes.	Net (loss) income
Taxes paid and other government payments	<ul style="list-style-type: none"> To assess how much cash we pay in taxes and fees to federal, provincial, and municipal governments. 	Income taxes paid add unrecoverable sales taxes paid; payroll taxes paid, regulatory and spectrum fees paid; and property and business taxes paid.	Income taxes paid
Pro forma trailing 12-month adjusted EBITDA	<ul style="list-style-type: none"> To illustrate the results of a combined Rogers and Shaw as if the Shaw Transaction had closed at the beginning of the trailing 12-month period. 	Trailing 12-month adjusted EBITDA add Acquired Shaw business adjusted EBITDA – January 2023 to March 2023	Trailing 12-month adjusted EBITDA

Non-GAAP ratios			
<i>Specified financial measure</i>	<i>How it is useful</i>	<i>How we calculate it</i>	
Adjusted basic earnings per share	<ul style="list-style-type: none"> To assess the performance of our businesses before the effects of the noted items, because they affect the comparability of our financial results and could potentially distort the analysis of trends in business performance. Excluding these items does not imply that they are non-recurring. 	Adjusted net income divided by basic weighted average shares outstanding.	
Adjusted diluted earnings per share		Adjusted net income including the dilutive effect of stock-based compensation divided by diluted weighted average shares outstanding.	
Pro forma debt leverage ratio	<ul style="list-style-type: none"> We believe this helps investors and analysts analyze our ability to service our debt obligations, with the results of a combined Rogers and Shaw as if the Shaw Transaction had closed at the beginning of the trailing 12-month period. 	Adjusted net debt divided by pro forma trailing 12-month adjusted EBITDA	

Total of segments measures	
<i>Specified financial measure</i>	<i>Most directly comparable IFRS financial measure</i>
Adjusted EBITDA	Net income

Capital management measures

Specified financial measure	How it is useful
Free cash flow	<ul style="list-style-type: none"> To show how much cash we generate that is available to repay debt and reinvest in our company, which is an important indicator of our financial strength and performance. We believe that some investors and analysts use free cash flow to value a business and its underlying assets.
Adjusted net debt	<ul style="list-style-type: none"> We believe this helps investors and analysts analyze our debt and cash balances while taking into account the economic impact of debt derivatives on our US dollar-denominated debt.
Debt leverage ratio	<ul style="list-style-type: none"> We believe this helps investors and analysts analyze our ability to service our debt obligations.
Available liquidity	<ul style="list-style-type: none"> To help determine if we are able to meet all of our commitments, to execute our business plan, and to mitigate the risk of economic downturns.

Supplementary financial measures

Specified financial measure	How we calculate it
Adjusted EBITDA margin	Adjusted EBITDA divided by revenue.
Wireless mobile phone average revenue per user (ARPU)	Wireless service revenue divided by average total number of Wireless mobile phone subscribers for the relevant period.
Cable average revenue per account (ARPA)	Cable service revenue divided by average total number of customer relationships for the relevant period.
Capital intensity	Capital expenditures divided by revenue.
Return on assets	Net income divided by total assets.
Dividend payout ratio of net income	Dividends declared divided by net income.
Dividend payout ratio of free cash flow	Dividends declared for the year divided by free cash flow (defined above).

RECONCILIATION OF ADJUSTED EBITDA

(In millions of dollars)	Years ended December 31	
	2023	2022
Net income	849	1,680
Add (deduct):		
Income tax expense	517	609
Other expense (income)	362	(15)
Finance costs	2,047	1,233
Restructuring, acquisition and other	685	310
Depreciation and amortization	4,121	2,576
Adjusted EBITDA	8,581	6,393

RECONCILIATION OF ADJUSTED NET INCOME

(In millions of dollars)	Years ended December 31	
	2023	2022
Net income	849	1,680
Add (deduct):		
Restructuring, acquisition and other	685	310
Depreciation and amortization on fair value increment of Shaw Transaction-related assets	764	-
Loss on non-controlling interest purchase obligation ¹	422	-
Income tax impact of above items	(366)	(75)
Income tax adjustment, tax rate change	52	-
Adjusted net income	2,406	1,915

¹ See "Review of Consolidated Performance" for more information as to the nature of this adjustment.

RECONCILIATION OF PRO FORMA TRAILING 12-MONTH ADJUSTED EBITDA

	As at December 31
(In millions of dollars)	2023
Trailing 12-month adjusted EBITDA	8,581
Add (deduct):	
Acquired Shaw business adjusted EBITDA - January 2023 to March 2023	514
Pro forma trailing 12-month adjusted EBITDA	9,095

RECONCILIATION OF FREE CASH FLOW

	Years ended December 31	
(In millions of dollars)	2023	2022
Cash provided by operating activities	5,221	4,493
Add (deduct):		
Capital expenditures	(3,934)	(3,075)
Interest on borrowings, net and capitalized interest	(1,794)	(1,090)
Interest paid, net	1,780	1,054
Restructuring, acquisition and other	685	310
Program rights amortization	(70)	(61)
Change in net operating assets and liabilities	627	152
Other adjustments ¹	(101)	(10)
Free cash flow	2,414	1,773

¹ Other adjustments consists of post-employment benefit contributions, net of expense, cash flows relating to other operating activities, and other investment income from our financial statements.

SUMMARY OF FINANCIAL RESULTS OF LONG-TERM DEBT GUARANTOR

Our outstanding public debt, amounts drawn on our \$4.7 billion bank credit and letter of credit facilities, and derivatives are unsecured obligations of RCI, as obligor, and RCCI, as either co-obligor or guarantor, as applicable.

The selected unaudited consolidating summary financial information for RCI for the periods identified below, presented with a separate column for: (i) RCI, (ii) RCCI, (iii) our non-guarantor subsidiaries on a combined basis, (iv) consolidating adjustments, and (v) the total consolidated amounts, is set forth as follows:

Years ended December 31 (unaudited)	RCI ^{1,2}		RCCI ^{1,2}		Non-guarantor subsidiaries ^{1,2}		Consolidating adjustments ^{1,2}		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
(In millions of dollars)										
Selected Statements of Income data measure:										
Revenue	-	-	16,316	13,200	3,293	2,386	(301)	(190)	19,308	15,396
Net income (loss)	849	1,680	1,276	1,529	289	360	(1,565)	(1,889)	849	1,680

As at December 31 (unaudited)	RCI ^{1,2}		RCCI ^{1,2}		Non-guarantor subsidiaries ^{1,2}		Consolidating adjustments ^{1,2}		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
(In millions of dollars)										
Selected Statements of Financial Position data measure:										
Current assets	44,427	47,197	43,991	33,845	10,803	9,991	(91,387)	(71,750)	7,834	19,283
Non-current assets	63,073	34,499	57,016	30,135	7,593	3,853	(66,234)	(32,115)	61,448	36,372
Current liabilities	44,638	36,902	68,370	37,051	9,119	8,972	(113,345)	(73,376)	8,782	9,549
Non-current liabilities	45,437	31,890	15,820	5,302	739	188	(11,936)	(1,366)	50,060	36,014

¹ For the purposes of this table, investments in subsidiary companies are accounted for by the equity method.

² Amounts recorded in current liabilities and non-current liabilities for RCCI do not include any obligations arising as a result of being a guarantor or co-obligor, as the case may be, under any of RCI's long-term debt.

FIVE-YEAR SUMMARY OF CONSOLIDATED FINANCIAL RESULTS

(In millions of dollars, except per share amounts, subscriber count results, churn, ARPU, ARPA, percentages, and ratios)	As at or years ended December 31				
	2023	2022	2021	2020	2019
Revenue					
Wireless	10,222	9,197	8,768	8,530	9,250
Cable	7,005	4,071	4,072	3,946	3,954
Media	2,335	2,277	1,975	1,606	2,072
Corporate items and intercompany eliminations	(254)	(149)	(160)	(166)	(203)
Total revenue	19,308	15,396	14,655	13,916	15,073
Total service revenue	16,845	13,305	12,533	11,955	12,965
Adjusted EBITDA					
Wireless	4,986	4,469	4,214	4,067	4,345
Cable	3,774	2,058	2,013	1,935	1,919
Media	77	69	(127)	51	140
Corporate items and intercompany eliminations	(256)	(203)	(213)	(196)	(192)
Total adjusted EBITDA	8,581	6,393	5,887	5,857	6,212
Net income	849	1,680	1,558	1,592	2,043
Adjusted net income	2,406	1,915	1,803	1,725	2,135
Cash provided by operating activities	5,221	4,493	4,161	4,321	4,526
Free cash flow	2,414	1,773	1,671	2,366	2,278
Capital expenditures	3,934	3,075	2,788	2,312	2,807
Earnings per share					
Basic	\$ 1.62	\$ 3.33	\$ 3.09	\$ 3.15	\$ 3.99
Diluted	\$ 1.62	\$ 3.32	\$ 3.07	\$ 3.13	\$ 3.97
Adjusted earnings per share					
Basic	\$ 4.60	\$ 3.79	\$ 3.57	\$ 3.42	\$ 4.17
Diluted	\$ 4.59	\$ 3.78	\$ 3.56	\$ 3.40	\$ 4.15
Statements of Financial Position:					
Assets					
Property, plant and equipment	24,332	15,574	14,666	14,018	13,934
Goodwill	16,280	4,031	4,024	3,973	3,923
Intangible assets	17,896	12,251	12,281	8,926	8,905
Investments	598	2,088	2,493	2,536	2,830
Other assets	10,176	21,711	8,499	9,401	7,427
Total assets	69,282	55,655	41,963	38,854	37,019
Liabilities and Shareholders' Equity					
Long-term liabilities	50,060	36,014	22,812	22,695	21,639
Current liabilities	8,782	9,549	8,619	6,586	5,964
Total liabilities	58,842	45,563	31,431	29,281	27,603
Shareholders' equity	10,440	10,092	10,532	9,573	9,416
Total liabilities and shareholders' equity	69,282	55,655	41,963	38,854	37,019
Subscriber count results (in thousands) ¹					
Wireless mobile phone subscribers ^{2,3}	11,609	10,647	10,013	n/a	n/a
Retail Internet subscribers ^{2,4}	4,162	2,284	2,229	n/a	n/a
Video subscribers ^{2,4}	2,751	1,525	1,491	n/a	n/a
Smart Home Monitoring subscribers ^{2,4}	89	101	113	n/a	n/a
Home Phone subscribers ^{2,4}	1,629	836	911	n/a	n/a
Customer relationships ⁴	4,636	2,590	2,581	2,530	2,510
Additional Wireless metrics ¹					
Postpaid mobile phone churn (monthly) ^{2,3}	1.11%	0.90%	0.88%	n/a	n/a
Mobile phone ARPU (monthly) ²	\$ 57.86	\$ 57.89	\$ 56.83	n/a	n/a
Additional Cable metrics					
ARPA (monthly)	\$ 142.58	\$ 130.12	\$ 132.58	\$ 130.70	\$ 131.71
Penetration	46.6%	53.9%	54.9%	55.3%	56.1%
Additional consolidated metrics					
Revenue growth	25%	5%	5%	(8)%	—%
Adjusted EBITDA growth	34%	9%	1%	(6)%	4%
Dividends declared per share	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00
Dividend payout ratio of net income ¹	123.2%	60.1%	64.8%	63.4%	50.0%
Dividend payout ratio of free cash flow ¹	43.3%	57.0%	60.4%	42.7%	44.9%
Return on assets ¹	1.2%	3.0%	3.7%	4.1%	5.5%
Debt leverage ratio	5.0	3.5	3.4	3.0	2.9

¹ As defined. See "Key Performance Indicators".

² Wireless mobile phone subscribers, retail Internet subscribers, Video subscribers, Smart Home Monitoring subscribers, Home Phone subscribers, postpaid mobile phone churn, and mobile phone ARPU have not been presented for periods prior to 2021. We commenced using the aforementioned measures as key performance indicators in the first quarter of 2022 and updated our 2021 comparative subscriber results. See "Key Performance Indicators".

³ On April 3, 2023, we acquired approximately 501,000 Shaw Mobile postpaid mobile phone subscribers as a result of our acquisition of Shaw, which are not included in net additions. As at December 31, 2023, we had completed migrating these subscribers to the Rogers network; there were 18,000 deactivated subscribers that could not be migrated and were therefore removed from our postpaid mobile phone subscriber base effective December 31, 2023.

⁴ In 2020, we acquired approximately 7,000 retail Internet subscribers and 8,000 customer relationships as a result of our acquisitions of Ruralwave Inc. and Cable Cable Inc. In 2021, we acquired approximately 18,000 retail Internet subscribers and 20,000 customer relationships as a result of our acquisition of Seaside Communications. In 2022, we acquired approximately 3,000 retail Internet subscribers, 2,000 Video subscribers, 1,000 Home Phone subscribers, and 3,000 customer relationships as a result of our acquisition of a small regional cable company in Nova Scotia. On April 3, 2023, we acquired approximately 1,961,000 retail Internet subscribers, 1,203,000 Video subscribers, 890,000 Home Phone subscribers, 4,935,000 homes passed, and 2,191,000 customer relationships as a result of the Shaw Transaction. On November 1, 2023, we acquired approximately 22,000 retail internet subscribers, 8,000 Video subscribers, 19,000 Home Phone subscribers, 8,000 homes passed, and 30,000 customer relationships as a result of our acquisition of Comwave. None of these subscribers are included in net additions.