UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 40-F

[Check one]

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13(a) OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2019

Commission File Number 001-10805

Rogers Communications Inc.

(Exact name of Registrant as specified in its charter)

Not Applicable
(Translation of Registrant's name into English (if applicable))

British Columbia
(Province or other jurisdiction of incorporation or organization)

4812, 4813, 4822, 4832, 4833, 4841
(Primary Standard Industrial Classification Code Number (if applicable))

Not Applicable
(I.R.S. Employer Identification Number (if applicable))

333 Bloor Street East, 10th Floor
Toronto, Ontario M4W 1G9
(416) 935-7777
(Address and telephone number of Registrant's principal executive offices)

CT Corporation System
111 Eighth Avenue, 13th Floor
New York, New York 10011
(212) 894-8940
(Name, address (including zip code) and telephone number (including area code) of agent for service in the United States)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class	Trading symbol	Name of each exchange on which registered
Class B Non-Voting	**RCI**	**New York Stock Exchange**

Securities registered or to be registered pursuant to Section 12(g) of the Act.

Not Applicable
(Title of Class)

SEC 2285 (05-19)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.

Class B Non-Voting Shares
(Title of Class)

For annual reports, indicate by check mark the information filed with this Form:

☒ Annual information form ☒ Audited annual financial statements

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

111,154,811 Class A Voting shares; 393,770,507 Class B Non-Voting shares.

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.

☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit such files).

☒ Yes ☐ No

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 12b-2 of the Exchange Act.

Emerging growth company ☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act.

☐

†The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

DISCLOSURE CONTROLS AND PROCEDURES

The disclosure provided in Management's Discussion and Analysis under the heading *Disclosure Controls and Procedures* on page 73 of Exhibit 99.2: Management's Discussion and Analysis, is incorporated by reference herein.

MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The disclosure provided in Management's Discussion and Analysis under the heading *Management's Report on Internal Control over Financial Reporting* on page 73 of Exhibit 99.2: Management's Discussion and Analysis , is incorporated by reference herein.

ATTESTATION REPORT OF THE REGISTERED PUBLIC ACCOUNTING FIRM

The *Report of Independent Registered Public Accounting Firm* on the Company's internal control over financial reporting as of December 31, 2019 on page 4 of Exhibit 99.3: Annual Audited Consolidated Financial Statements is incorporated by reference herein.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

The disclosure provided in Management's Discussion and Analysis under the heading *Changes in Internal Control over Financial Reporting and Disclosure Controls and Procedures* on page 73 of Exhibit 99.2: Management's Discussion and Analysis , is incorporated by reference herein.

AUDIT COMMITTEE FINANCIAL EXPERT

The Board of Directors of Rogers Communications Inc. has determined that the Company has at least one "audit committee financial expert" (as defined in paragraph 8(b) of General Instruction B of Form 40-F) serving on its Audit and Risk Committee. The audit committee financial expert is John H. Clappison. Mr. Clappison has been determined by the Board to be an independent director as such term is defined under the Canadian Securities Administrators' National Instrument 52-110 (Audit Committees), which is the Canadian corporate governance rule that applies to the Company. Under the standards of the U.S. Securities and Exchange Commission and the New York Stock Exchange relating to the independence of audit committee members Mr. Clappison is deemed to be a non-independent director as his son-in-law is a partner at KPMG LLP, the auditors of the Company. Mr. Clappison's son-in-law has no involvement in the audit of the Company. Under the rules of the U.S. Securities and Exchange Commission and the Public Company Accounting Oversight Board (United States), such relationship does not impair the independence of KPMG LLP. The Board's designation of Mr. Clappison as audit committee financial expert does not impose on him any duties, obligations or liability that are greater than the duties, obligations and liability imposed on him as a member of the Audit and Risk Committee and Board of Directors in the absence of such designation or identification. In addition, the designation of Mr. Clappison as "audit committee financial expert" does not affect the duties, obligations or liability of any other member of the Audit and Risk Committee or Board of Directors. See also *Item 17 - Audit and Risk Committee* on page 26 of the Company's Annual Information Form, attached as Exhibit 99.1 and incorporated by reference herein.

CODE OF CONDUCT AND ETHICS AND BUSINESS CONDUCT POLICY

The Company has adopted a Directors Code of Conduct and Ethics that applies to all directors and Business Conduct Policy that apply to all directors, officers (including the principal executive officer, principal financial officer, and principal accounting officer), and employees (the Codes). The Codes have been posted on the Rogers website under the Corporate Governance section at investors.rogers.com. A copy of the Codes will also be provided upon request to Investor Relations, 333 Bloor Street East, 10th Floor, Toronto, Ontario, M4W 1G9.

PRINCIPAL ACCOUNTANT FEES AND SERVICES

The following table presents fees for professional services rendered by KPMG LLP to the Company for the audit of the Company's annual financial statements for 2019 and 2018, and fees billed for other services rendered by KPMG LLP, during the period from January 1, 2018 to December 31, 2019.

	2019		2018	
Auditors' Fees	($)	%	($)	%
Audit Fees(1)	6,042,150	88.2	6,324,754	87.9
Audit-Related Fees(2)	692,753	10.1	797,575	11.1
Tax Fees(3)	114,322	1.7	71,606	1.0
Total	6,849,225	100.0	7,193,935	100.0

NOTES:

(1) Consists of fees related to audits of annual financial statements, involvement with registration statements and other filings with various regulatory authorities, quarterly reviews of interim financial statements, audit procedures on new accounting standards not yet effective, audits and reviews of subsidiaries for statutory or regulatory reporting, and consultations related to accounting matters impacting the consolidated financial statements.

(2) Consist primarily of pension plan audits, French translation of certain filings with regulatory authorities, other assurance engagements, due diligence services in respect of potential acquisitions and divestitures, and consultations regarding accounting standards not yet effective.

(3) Consist of fees for tax consultation and compliance services, including indirect taxes.

For the year ended December 31, 2019, none of the Company's audit-related fees, tax fees or all other fees described in the table above made use of the de minimis exception to pre-approval provisions contained in Rule 2-01 (c)(7)(i)(C) of U.S. Securities and Exchange Commission Regulation S-X or Section 2.4 of the Canadian Securities Administrators' National Instrument 52-110 (Audit Committees).

The following is the pre-approval process:

1. Annually, the Company will provide the Audit and Risk Committee with a list of the audit-related and non-audit services that may be provided by the auditor during the year to the Company. The Audit and Risk Committee will review the services with the auditor and management, considering whether the provision of the service is compatible with maintaining the auditor's independence.
2. Management may engage the auditor for specific engagements that are included in the list of pre-approved services referred to above if the estimated fees do not exceed $500,000 per engagement per quarter.
3. The Audit and Risk Committee delegates authority to the Chair of the Audit and Risk Committee to approve requests for services not included in the pre-approved list of services or for services not previously pre-approved by the Audit and Risk Committee. Any services approved by the Chair will be reported to the full Audit and Risk Committee at the next meeting.
4. A listing of all audit and non-audit services and fees rendered to the Company and its subsidiaries by KPMG LLP will be reviewed each quarter by the Audit and Risk Committee.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements other than those described in Management's Discussion and Analysis under the heading *Off-Balance Sheet Arrangements* on page 61 of Exhibit 99.2: Management's Discussion and Analysis , which is incorporated by reference herein.

TABULAR DISCLOSURE OF CONTRACTUAL OBLIGATIONS

The information provided in Management's Discussion and Analysis under the heading *Commitments and Contractual Obligations* on page 61 of Exhibit 99.2: Management's Discussion and Analysis , is incorporated by reference herein.

IDENTIFICATION OF THE AUDIT AND RISK COMMITTEE

Our Board of Directors has established an Audit and Risk Committee. The Audit and Risk Committee consists of three directors: Messrs. Clappison, Gemmell, and MacDonald, who are appointed annually by our Board of Directors. Further disclosure is provided under *Item 17.2 — Composition of the Audit and Risk Committee* of the Company's Annual Information Form, attached as Exhibit 99.1 and incorporated by reference herein.

DISCLOSURE PURSUANT TO REQUIREMENTS OF THE NEW YORK STOCK EXCHANGE

The disclosure provided under the headings "*Composition of the Board*", "*Controlled Company Exemption*", "*Foreign Private Issuer Status*", "*Corporate Governance Practices*" and "*Conflicts of Interest*" beginning on page 22 of the Company's Annual Information Form, attached as Exhibit 99.1, is incorporated by reference herein.

UNDERTAKING AND CONSENT TO SERVICE OF PROCESS

Rogers Communications Inc. undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the Commission staff, and to furnish promptly, when requested to do so by the Commission staff, information relating to: the securities registered pursuant to Form 40-F; the securities in relation to which the obligation to file an annual report on Form 40-F arises; or transactions in said securities.

Rogers Communications Inc. has previously filed with the Commission a Form F-X in connection with its securities. Any change to the name or address of the Company's agent for service of process shall be communicated promptly to the Commission by amendment to the Form F-X referencing the file number of the Company.

SIGNATURES

Pursuant to the requirements of the Exchange Act, the registrant certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this annual report to be signed on its behalf by the undersigned, thereto duly authorized.

Registrant: Rogers Communications Inc.

By:	*"Joe Natale"*	*"Anthony Staffieri"*
	Joe Natale	Anthony Staffieri, FCPA, FCA
	President and Chief Executive Officer	Chief Financial Officer

Date: March 5, 2020

Subsidiary Guarantor/Co-Obligor: Rogers Communications Canada Inc.

By:	*"Joe Natale"*	*"Anthony Staffieri"*
	Joe Natale	Anthony Staffieri, FCPA, FCA
	President and Chief Executive Officer	Chief Financial Officer

Date: March 5, 2020

EXHIBIT INDEX

Exhibit Number	Description
23.1	Consent of Independent Registered Public Accounting Firm
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certifications pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 †
99.1	Annual Information Form for the fiscal year ended December 31, 2019
99.2	Management's Discussion and Analysis for the fiscal year ended December 31, 2019, filed with the Securities and Exchange Commission ("SEC") under cover of a Form 6-K dated March 5, 2020
99.3	Annual Audited Consolidated Financial Statements, together with the reports of independent registered public accounting firm, for the fiscal year ended December 31, 2019

† This exhibit shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference on any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, whether made before or after the date hereof and irrespective of any general incorporation language in any filings.

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors of Rogers Communications Inc.

We, KPMG LLP, consent to the use of:

- our report dated March 5, 2020 on the consolidated financial statements of Rogers Communications Inc. (the "Company") which comprise the consolidated statements of financial position of the Company as of December 31, 2019 and December 31, 2018, the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for each of the years in the two-year period ended December 31, 2019, and the related notes; and

- our report dated March 5, 2020 on the effectiveness of the Company's internal control over financial reporting as of December 31, 2019,

each of which is included in this annual report on Form 40-F of the Company for the fiscal year ended December 31, 2019.

Our report dated March 5, 2020 on the consolidated financial statements referred to above contains an explanatory paragraph indicating the Company has changed its method of accounting for leases during 2019 due to the adoption of IFRS 16, Leases.

We, KPMG LLP, also consent to the incorporation by reference of such reports in Registration Statement No. 333-224400 on Form F-10 and Registration Statement No. 333-170234 on Form F-3D of the Company.

"KPMG LLP"
Chartered Professional Accountants, Licensed Public Accountants

March 5, 2020
Toronto, Canada

Exhibit 31.1

Section 302 Certification

Rogers Communications Inc.

CERTIFICATIONS

I, Joe Natale, President and Chief Executive Officer, certify that:

1. I have reviewed this annual report on Form 40-F of Rogers Communications Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit and risk committee of the issuer's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: March 5, 2020

"Joe Natale"

Joe Natale

President and Chief Executive Officer

Rogers Communications Canada Inc.

CERTIFICATIONS

I, Joe Natale, President and Chief Executive Officer, certify that:

1. I have reviewed this annual report on Form 40-F of Rogers Communications Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit and risk committee of the issuer's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: March 5, 2020

"Joe Natale"

Joe Natale

President and Chief Executive Officer

Exhibit 31.2

Section 302 Certification

Rogers Communications Inc.

CERTIFICATIONS

I, Anthony Staffieri, FCPA, FCA, Chief Financial Officer, certify that:

1. I have reviewed this annual report on Form 40-F of Rogers Communications Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit and risk committee of the issuer's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: March 5, 2020

"Anthony Staffieri"

Anthony Staffieri, FCPA, FCA

Chief Financial Officer

Rogers Communications Canada Inc.

CERTIFICATIONS

I, Anthony Staffieri, FCPA, FCA, Chief Financial Officer, certify that:

1. I have reviewed this annual report on Form 40-F of Rogers Communications Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit and risk committee of the issuer's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: March 5, 2020

"Anthony Staffieri"

Anthony Staffieri, FCPA, FCA
Chief Financial Officer

Exhibit 32.1

Certification Pursuant to

18 U.S.C. Section 1350

As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Rogers Communications Inc.

In connection with the Annual Report on Form 40-F of Rogers Communications Inc., a corporation organized under the laws of British Columbia (the "Company"), for the period ending December 31, 2019 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of the Company certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that:

1. the Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 5, 2020

"Joe Natale"

Joe Natale
President and Chief Executive Officer

Date: March 5, 2020

"Anthony Staffieri"

Anthony Staffieri, FCPA, FCA
Chief Financial Officer

Certification Pursuant to

18 U.S.C. Section 1350

As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Rogers Communications Canada Inc.

In connection with the Annual Report on Form 40-F of Rogers Communications Inc., a corporation organized under the laws of British Columbia (the "Company"), for the period ending December 31, 2019 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of Rogers Communications Canada Inc. certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that:

1. the Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 5, 2020

"Joe Natale"

Joe Natale
President and Chief Executive Officer

Date: March 5, 2020

"Anthony Staffieri"

Anthony Staffieri, FCPA, FCA
Chief Financial Officer

Exhibit 99.1



ROGERS COMMUNICATIONS INC.
ANNUAL INFORMATION FORM
(for the fiscal year ended December 31, 2019)

March 5, 2020

Annual Information Form Index

The following is an index of the Annual Information Form (AIF) of Rogers Communications Inc. referencing the requirements of Form 51-102F2 and Form 52-110F1 of the Canadian Securities Administrators. Certain parts of this Annual Information Form are contained in Rogers Communications Inc.'s Management's Discussion and Analysis (MD&A) for the fiscal year ended December 31, 2019 (2019 MD&A) and Rogers Communications Inc.'s 2019 Annual Audited Consolidated Financial Statements, each of which is filed on SEDAR at sedar.com and incorporated herein by reference as noted below. All dollar amounts are in Canadian dollars unless otherwise stated.

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ITEM 3 – Corporate Structure

ITEM 3.1 – NAME, ADDRESS, AND INCORPORATION

Rogers Communications Inc. is a leading diversified Canadian technology and media company. RCI was amalgamated under the Business Corporations Act (British Columbia). The registered office is located at 2900-550 Burrard Street, Vancouver, British Columbia, V6C 0A3 and the head office is located at 333 Bloor Street East, 10th Floor, Toronto, Ontario, M4W 1G9.

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.

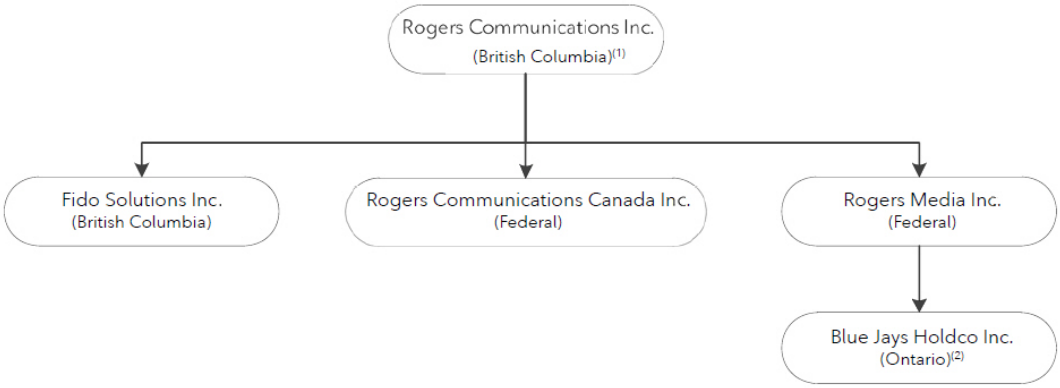
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THREE REPORTABLE SEGMENTS
For the purposes of this AIF, we report our results of operations in three reportable segments as aDecember 31, 2019:

Segment	Principal activities
Wireless	Wireless telecommunications operations for Canadian consumers and businesses.
Cable	Cable telecommunications operations, including Internet, television, telephony (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.

ITEM 3.2 – INTERCORPORATE RELATIONSHIPS

The following summary organization chart illustrates the structure of the principal subsidiaries of RCI and indicates the jurisdiction of organization of each entity shown as at January 1, 2020.



(1) Ownership percentages are 100%
(2) Blue Jays Holdco Inc., together with its subsidiaries, holds a 100% interest in the Toronto Blue Jays Baseball Club (Toronto Blue Jays) and Rogers Centre.

OVERVIEW

Rogers is Canada's Largest Provider of Wireless Communications Services

As at December 31, 2019, we had:

- approximately 10.8 million subscribers; and
- approximately 33% subscriber and revenue share of the Canadian wireless market.

One of Canada's Leading Providers of High-Speed Internet, Cable Television, and Phone Services

As at December 31, 2019, we had:

- approximately 2.5 million high-speed Internet subscribers;
- approximately 1.6 million Television subscribers;
- approximately 1.1 million Phone subscribers; and
- a network passing approximately 4.5 million homes in Ontario, New Brunswick, and on the island of Newfoundland.

Diversified Canadian Media Company

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

- sports media and entertainment, such as Sportsnet and the Toronto Blue Jays;
- our exclusive national 12-year National Hockey League (NHL) Agreement;
- category-leading television and radio broadcasting properties;
- multi-platform televised and online shopping; and
- digital media.

PRODUCTS AND SERVICES

Wireless

Rogers is a Canadian leader in delivering a range of innovative wireless network technologies and services. 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;
- *Rogers Pro On-the-Go*™, a personalized service experience for device delivery and set up to a customer's location of choice within the service area;
- device financing;
- wireless home phone;
- device protection;
- text messaging;
- e-mail;
- global voice and data roaming, including *Roam Like Home*™ and *Fido Roam*™;
- bridging landline phones with wireless phones through products like *Rogers Unison*™;
- machine-to-machine solutions and Internet of Things (IoT) solutions; and
- advanced wireless solutions for businesses.

In 2019, we were the first national carrier to launch unlimited data through our Rogers Infinite plans. These plans provide customers with a shareable pool of high-speed LTE data and unlimited data at reduced speeds thereafter, thereby eliminating data overage fees on these plans. The reduced speed data is fast enough to send instant messages and emails, browse the Internet, engage in social media, or stream standard definition video.

Cable

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

In 2018, we launched our new Internet protocol (IP) television product, *Ignite TV*™, to our entire Ontario Cable footprint; in 2019, we expanded Ignite TV to our remaining Cable footprint in New Brunswick and Newfoundland. Ignite TV, which is licensed from Comcast Corporation (Comcast), delivers a high-value, premium service with advanced features and video experiences and is the foundation to a robust product roadmap of innovation leading to a truly connected home service.

We have adopted Comcast's new WiFi solution as a next step on our innovation roadmap. This whole-home networking solution provides customers with a simple, fast, and intuitive way to control and manage their connected devices. The cloud-based platform links to Data Over Cable Service Interface Specifications (DOCSIS) 3.1 WiFi gateway devices to deliver fast, reliable connectivity in the home and allows customers to easily add and control devices and pair *Ignite WiFi™* pods that boost signal strength, and use voice controls to see who is on the network, all in a safe and secure manner.

Internet services include:
- Internet access (including basic and unlimited usage packages), security solutions, and e-mail;
- access speeds of up to one gigabit per second (Gbps), covering our entire Cable footprint;
- *Rogers Ignite*™ and Fido Internet 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
- *Rogers*™ *Smart Home Monitoring*, offering services such as monitoring, security, automation, energy efficiency, and smart control through a smartphone app.

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;
- 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*™, and Amazon Prime Video on Ignite TV;
- 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;
- 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;
- 4K television programming, including regular season *Toronto Blue Jays*™ home games and select marquee National Hockey League (NHL) and National Basketball Association (NBA) games; and
- televised content delivered on smartphones, tablets, and personal computers through the *Rogers Anyplace TV*™ app.

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

Enterprise services include:
- voice, data networking, Internet protocol (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 technologies with security-embedded, cloud-based, professionally-managed solutions; and
- extensive cable access network services for primary, bridging, and back-up (including through our wireless network, if applicable) connectivity.

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 NHL Agreement, which runs through the 2025-2026 NHL season, allows us to deliver more than 1,200 regular season games per season across television, smartphones, tablets, and personal computers, both through traditional streaming services as well as NHL LIVE. 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 82% 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

- TSC, Canada's only nationally televised shopping channel, which generates a significant and growing portion of its revenue from online sales.

In Radio, we operate 55 AM and FM radio stations in markets across Canada, including popular radio brands such as 98.1 CHFI™, *680 NEWS™, Sportsnet The FAN™, KiSS™, JACK FM™,* and *SONiC™*.

We also offer a range of digital services and products, including:
- our digital sports-related assets, including NHL LIVE, Sportsnet NOW, and *Sportsnet NOW+*™;
- other digital assets including FXNOW and Citytv NOW; and
- a range of other websites, apps, podcasts, and digital products associated with our various brands and businesses.

Other

We offer the *Rogers™ World Elite Mastercard*, *Rogers™ Platinum Mastercard*, and the *Fido™ Mastercard*, credit cards that allow customers to earn cashback 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.

We also hold a number of interests in marketable securities of publicly traded companies, including Cogeco Inc. and Cogeco Communications Inc.

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, chatrwireless.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;
- outbound telemarketing; and
- Rogers Pro On-the-Go, a new, personalized retail service that delivers and sets up new wireless devices to the customer's location of choice within the service area.

Cable

We distribute our residential cable products using various channels, including:
- company-owned Rogers and Fido retail stores;
- customer self-serve using rogers.com and fido.ca;
- our 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.

ITEM 4 – General Development of the Business

ITEM 4.1 – THREE-YEAR HISTORY

RECENT DEVELOPMENTS

2020 Highlights to Date

- Declared a quarterly dividend of $0.50 per each outstanding Class A Voting Share and Class B Non-Voting Share in January 2020.
- Appointed Eric P. Agius as Chief Customer Officer and Sevaun T. Palvetzian as Chief Communications Officer.

2019 Highlights

For revenue and other financial information on the two most recently completed financial years, see the section entitled 2019 Financial Results" in our 2019 MD&A.

Create best-in-class customer experiences by putting our customers first in everything we do

- Increased our customer likelihood to recommend scores across all business units.
- Improved service levels in our call centres and reduced the average handle time.
- Grew online digital adoption and reduced call volume into our call centres.
- Launched Rogers Infinite unlimited data plans with no overage charges, the first national Canadian carrier to introduce such plans.
- Introduced 24-month $0 down, interest-free wireless device financing on Rogers Infinite plans.
- Attracted 1.4 million customers to our new Rogers Infinite unlimited data plans.
- Announced a new customer solutions centre in Kelowna, BC, to better serve our customers across time zones.
- Launched Rogers Pro On-the-Go, a new, personalized retail service that delivers and sets up new wireless devices to the customer's location of choice within the service area.
- Launched Fido Data Overage Protection, which pauses data usage when a customer's limit is reached so they can enjoy their wireless services worry-free.
- Ended the year with over 325,000 subscribers on Ignite TV, the foundation of our Connected Home future.
- Invested in our IT infrastructure to improve system stability, decreasing customer-impacting minutes by over 80%.

Invest in our networks and technology to deliver leading performance and reliability

- Secured 20-year 600 MHz spectrum licences covering all provinces and territories across the country for a total price of $1.7 billion to give our customers the best wireless experience. This low-frequency spectrum is a critical foundation for deploying 5G technology across Canada.
- Announced our initial rollout of Canada's first 5G network in downtown Vancouver, Toronto, Ottawa, and Montreal in preparation for the commercial availability of 5G devices in 2020; we expect to expand the Rogers 5G network to over 20 more markets in 2020.
- Became a founding member of the 5G Future Forum, which will collaborate to develop interoperable 5G standards for Mobile Edge Computing across key geographic regions, including the Americas, Asia-Pacific, and Europe.
- Turned on Canada's first 5G-powered campus at the University of British Columbia to facilitate pre-commercial research and testing of 5G applications and announced a three-year partnership agreement with the University of Waterloo to advance 5G research.
- Announced the launch of a 5G innovation hub that will test 5G applications and use cases at Communitech in Waterloo.
- Awarded "Best in Test" for overall wireless customer experience nationally by Umlaut, a global mobile network benchmarking leader, based on measurement testing conducted between May 6 and July 15, 2019.

- Awarded, in October 2019, the 2019 Speedtest® Award for Canada's Fastest Internet by Ookla, a global leader in fixed broadband mobile network testing.
- Announced a reciprocal roaming arrangement with AT&T to extend LTE-M coverage for IoT customers throughout Canada and the United States.

Deliver innovative solutions and compelling content that our customers will love
- Launched Sportsnet Now and Amazon Prime Video on Ignite TV.
- Launched Ignite TV in Newfoundland and New Brunswick.
- Invested $683 million during the 2019 broadcast year to create and produce compelling Canadian content.
- Launched the Ignite WiFi Hub app and introduced Wall-to-Wall WiFi pods to manage home WiFi networks and enhance WiFi connectivity in homes.
- Partnered with the Aboriginal Peoples Television Network to broadcast the first-ever NHL game in Plains Cree.

Drive profitable growth in all the markets we serve
- Achieved our revised 2019 guidance targets.
- Grew adjusted EBITDA by 4%.
- Attracted 334,000 net new wireless postpaid subscribers and 104,000 net new Internet subscribers.
- Returned $1.7 billion to shareholders through dividend payments and share repurchases.

Develop our people and a high performance culture
- Achieved a company-wide engagement score of 85%, five points above global best-in-class companies.
- Recognized, in November 2019, as one of Canada's Top 100 employers by MediaCorp Canada Inc. for the 7th year in a row.
- Recognized, in November 2019, as one of Canada's Most Admired Corporate Cultures by Waterstone.
- Recognized, in July 2019, as one of the 50 Most Engaged Workplaces in North America by Achievers for our leadership and innovation in engaging our employees and workplaces.
- Named to the 2019 Bloomberg Gender-Equality Index in January 2019, which named 230 companies committed to transparency in gender reporting and advancing women's equality in the workplace.
- Recognized, in March 2019, as one of Canada's Best Diversity Employers by MediaCorp Canada Inc.
- Named, in May 2019, to the LGBT Corporate Canadian Index, an index that recognizes companies advancing equality.
- Announced a $10 million investment to support a new cybersecurity centre at Ryerson University focused on building diverse digital skills of the future and to help fulfill our ongoing demand for skilled cybersecurity professionals.

Be a strong, socially responsible leader in our communities across Canada
- Contributed $14 billion in economic value to the Canadian economy.
- Contributed over $60 million through cash and in-kind investments to help our communities thrive.
- Made a meaningful difference in the lives of youth through the Ted Rogers Scholarship Fund, Jays Care Foundation, and the Ted Rogers Community Grants program.
- Expanded our Connected for Success affordable broadband program to 335 community housing partners.
- Raised over $2 million for over 1,100 charities during Give Together Month, with Rogers matching employee donations up to $1,000.
- Volunteered 20,000 hours to support 80 volunteer events across Canada for our second annual*Give Together*™ Volunteer Days.

Other highlights

- Declared a quarterly dividend of $0.50 per each outstanding Class A Voting Share and Class B Non-Voting Share during 2019.
- Issued $1.0 billion 10-year 3.25% senior notes. We received net proceeds of $993 million from the issuance.
- Issued US$1.25 billion 30-year 4.35% senior notes and fully hedged the foreign exchange risk. We received net proceeds of $1,656 million from the issuance.
- Issued US$1.0 billion 30-year 3.7% senior notes and fully hedged the foreign exchange risk. We received net proceeds of $1,283 million from the issuance.
- Ended the year with approximately $2.5 billion of available liquidity, including $1.6 billion available under our bank and letter of credit facilities,$0.4 billion available under our $1.05 billion accounts receivable securitization program, and $0.5 billion in cash and cash equivalents.
- In April 2019, the TSX accepted a notice of our intention to commence a normal course issuer bid (NCIB) program (2019 NCIB) that allowed us to purchase, during the twelve-month period beginning April 24, 2019 and ending April 23, 2020, the lesser of 35.7 million Class B Non-Voting Shares and that number of Class B Non-Voting Shares that could be purchased under the 2019 NCIB for an aggregate purchase price of $500 million. In 2019, we purchased 9.9 million shares under our NCIB programs for $655 million. Pursuant to the 2019 NCIB, we repurchased for cancellation 7.7 million Class B Non-Voting Shares for $500 million, thereby purchasing the maximum allowed under the 2019 NCIB. Pursuant to the 2018 NCIB, as defined below under 2018 Highlights, we repurchased for cancellation 2.2 million Class B Non-Voting Shares for $155 million.

2018 Highlights

Create best-in-class customer experiences by putting our customers first in everything we do

- Attracted our highest number of Wireless postpaid net additions and realized our lowest annual Wireless postpaid churn rate since 2009.
- Invested in the modernization of our Fido and Rogers retail stores.
- Renewed our focus on digital self-serve, growing our customer digital adoption rate and allowing our customers to access their accounts and purchase new products with ease.
- Increased customer experience metrics to account for 50% of our 2018 company-wide bonus plan.

Invest in our networks and technology to deliver leading performance and reliability

- Invested in LTE Advanced network technology for wireless network capacity and performance.
- Worked with Ericsson, the North American 5G partner of choice, to densify our network with small and macro cell sites and upgrade our 4.5G network with the latest 5G-ready technology.
- Launched a three-year partnership with the University of British Columbia (UBC) to create Canada's first real-world 5G hub on UBC's campus, facilitating research and developing 5G applications.
- Received the 2018 Speedtest® Award for Canada's Fastest Internet by Ookla®, a global leader in fixed broadband and mobile network testing, following ongoing investment in our network.

Deliver innovative solutions and compelling content that our customers will love

- Launched Ignite TV to our Cable footprint in Ontario and launched employee trials in our Atlantic Canada Cable footprint.
- Invested almost $700 million to produce and create Canadian entertainment, news, and sports programming during the 2018 broadcast year.
- For the fourth consecutive year, Sportsnet was ranked Canada's number-one sports media brand.
- Celebrated 50 years of local programming through Rogers TV.
- Expanded our presence in local markets with the introduction of CityNews in Vancouver, Montreal, and Calgary, the acquisition of 102.1 CJCY in Medicine Hat, and the launch of hyper-local news sites in Ottawa and Kitchener in partnership with Village Media.

- Successfully completed the fourth year of our exclusive 12-year national NHL Agreement, reaching an audience of 24.6 million during the 2018 Stanley Cup Playoffs, including the most watched Stanley Cup Final since 2014.

Drive profitable growth in all the markets we serve
- Achieved our 2018 guidance targets after raising our adjusted EBITDA guidance in the third quarter.
- Grew total revenue by 5% and adjusted EBITDA by 9%.
- Delivered total shareholder return of 12.5% in 2018, 21 percentage points above the TSX Composite Index return.

Develop our people and a high performance culture
- Achieved a best-in-class employee engagement score.
- Recognized as one of Canada's Top 100 Employers for 2018, for the 6th year in a row, including recognition as one of the Greater Toronto Area's Top Employers, a Top Employer for Young People, a Best Diversity Employer, and one of Canada's Greenest Employers, in reports released by Mediacorp Inc.
- Recognized as one of Canada's 50 Most Engaged Workplaces for 2018 by Achievers.
- Achieved female representation of 30% for executive positions of Vice President and above.
- Named to the 2018 Bloomberg Gender-Equality Index (GEI) in January 2018, which shared data on over 100 companies who lead in gender equality around the world. The GEI looks at our internal statistics, policies, engagement, and other gender-conscious programs that reflect our commitment to advancing women in the workplace and marketplace.

Be a strong, socially responsible leader in our communities across Canada
- Invested over $60 million in our communities through cash and in-kind donations to various charitable organizations and causes.
- Awarded 313 scholarships through our community partners and to dependents of our hard-working employees. Additionally, this program provided 105 grants to community organizations across the country that provide innovative and educational programs for youth.
- Volunteered over 20,000 hours to local charities across Canada, including through our first-ever Give Together Volunteer Days, where team members gave over 10,000 hours of support to over 50 charitable organizations.
- Raised over $2.5 million from our second annual employee giving campaign, Give Together Month, where Rogers matched employee donations to the charity of their choice, up to $1,000 each.
- Released Rogers' 2018 Transparency Report, which outlines how we share customer information in response to requests from legal authorities as part of our obligation to contribute to public safety while protecting our customers' privacy.
- Expanded access to Connected for Success, a program offering access to affordable, high-speed Internet to over 200,000 low-income Canadian households through 300 subsidized housing partners across our cable footprint.
- Became a participating partner in Connecting Families, a low-cost Government of Canada Internet initiative.

Other highlights
- Declared a quarterly dividend of $0.48 per each outstanding Class A Voting Share and Class B Non-Voting Share during 2018.
- Issued US$750 million 30-year 4.3% senior notes and fully hedged the foreign exchange risk. We received net proceeds of $938 million from the issuance.
- Ended the year with approximately $2.4 billion of available liquidity, including $1.6 billion available under our bank and letter of credit facilities, $0.4 billion available under our $1.05 billion accounts receivable securitization program, and $0.4 billion in cash and cash equivalents.
- In April 2018, the TSX accepted a notice of our intention to commence a NCIB program (2018 NCIB) that allowed us to purchase, during the twelve-month period beginning April 24, 2018 and ending April 23, 2019, the lesser of 35.8 million Class B Non-Voting Shares and that number of Class B Non-Voting Shares that could be purchased under the NCIB for an aggregate purchase price of $500 million. We did not repurchase any shares during the year ended December 31, 2018.

2017 Highlights

Effective January 1, 2018, we adopted IFRS 15, *Revenue from contracts with customers* (IFRS 15), and IFRS 9, *Financial instruments* (IFRS 9). We adopted these standards retrospectively and restated our 2017 financial results accordingly. The financial highlights included below for 2017 have not been restated in accordance with IFRS 15 or IFRS 9.

Create best-in-class customer experiences by putting our customers first in everything we do

- Attracted our highest number of postpaid net additions and realized our lowest annual postpaid churn rate since 2010.
- Introduced Data Bytes for Fido mobile, giving new and existing Fido Pulse plan customers an additional hour of data, five times per billing cycle, at no extra charge. With this feature, customers can activate their data session and start streaming, searching, and sharing, worry-free.
- Launched Stream Saver, part of our worry-free data management objective that allows users to get more out of their data plan by switching video streaming settings between high definition and standard definition.
- Launched Social Media Security by Rogers, a cloud-based solution that allows Canadian businesses to better safeguard their social media accounts.

Invest in our networks and technology to deliver leading performance and reliability

- Augmented sections of our existing LTE network with 4.5G technology investments that are designed to migrate to a 5G environment.
- Initiated a program to upgrade our hybrid fibre-coaxial infrastructure with additional fibre deployments and further DOCSIS technology enhancements. This program will lower the number of homes passed per node, will incorporate the latest technologies to help deliver more bandwidth and an even more reliable customer experience, and will lay the foundation to evolve to fibre-to-the-home.
- Launched LTE-Advanced (LTE-A) service in many communities in Manitoba, including Winnipeg, Brandon, Portage La Prairie, Churchill, and more. We also expanded other cellular services in Manitoba.
- Expanded LTE wireless service in Alberta; expanded LTE wireless service and implemented network improvements in several communities across British Columbia.
- Extended our 700 MHz LTE network reach to 92% of Canada’s population and extended our overall LTE coverage to 96% of the population.
- Recognized as the fastest ISP in both Ontario and Canada between July 2016 and May 2017, according to PCMag's Speed Index.

Deliver innovative solutions and compelling content that our customers will love

- For the third consecutive year, Sportsnet was ranked Canada's number-one sports media brand and Canada’s number-one specialty network.
- Successfully completed the third year of our exclusive 12-year national NHL Agreement while bringing the NHL to more Canadians than ever before with our 2016-2017 NHL season being our most successful NHL season to date.
- Extended, for seven additional years, our sublicensing arrangement with CBC for English broadcasts of Hockey Night in Canada and the Stanley Cup playoffs, beginning with the 2019-2020 season. CBC will continue to broadcast nationally-televised regular season games on Saturday night, plus all four rounds of the Stanley Cup playoffs.
- Achieved excellent radio ratings across Canada, including 98.1 CHFI and 680 NEWS in Toronto, where they were the city's number-one radio and news stations, respectively, for the key demographic between ages 25 and 54.
- Added four new 4K services to our lineup, allowing our customers to watch some of the world’s biggest artists, concerts, movies, and events in 4K, in addition to more than 100 Toronto Blue Jays, NHL, and NBA games.
- Launched OMNI Regional across the country, a new television service providing Canada’s diverse language communities with access to vital news and information programming.
- Launched CityNews in Edmonton and Winnipeg, and announced upcoming CityNews launches in Vancouver, Calgary, and Montreal, offering a fresh approach to local news that provides viewer-based content with original stories that reflect these communities.

Drive profitable growth in all the markets we serve

- 100% achievement of our 2017 guidance on selected full-year metrics.
- Adjusted EBITDA margin expansion of 90 basis points. This increase was primarily driven by Wireless, with a 130 basis point expansion, and Cable, with a 90 basis point expansion.
- Achieved our best annual Wireless service revenue growth and adjusted EBITDA growth since 2009.

Develop our people and a high performance culture

- Achieved an employee engagement score of 79%.
- Recognized in November 2017, for the fifth year in a row, as one of Canada's Top 100 Employers for 2018, and in January 2017, for the eighth year in a row, as a Top Employer for Young People, by the editors of Canada's Top 100 Employers.
- Selected as one of Canada's Best Diversity Employers for 2017, for the fifth year in a row, in a report released by Mediacorp Inc. in March 2017, in recognition of our efforts to promote diversity and inclusion in the workplace.
- Named one of Canada's Greenest Employers for 2017, for the fifth year in a row, by the editors of Canada's Top 100 Employers in April 2017.
- Named one of the 50 Best Corporate Citizens in Canada by Corporate Knights in June 2017, an award that recognizes employers that incorporate social, economic, and ecological benefits and costs in their normal course of business.

Be a strong, socially responsible leader in our communities across Canada

- Invested $64 million in our communities through cash and in-kind donations to various charitable organizations and causes.
- Launched the Ted Rogers Scholarship Fund and awarded 307 scholarships through our community partners and to dependents of our hard-working employees. This program also included 65 grants to community organizations across the country that provide innovative and educational programs for youth.
- Released Rogers' 2017 Transparency Report, which outlines how we share customer information in response to requests from legal authorities. We are committed to protecting our customers' privacy and fulfilling our obligation as a good corporate citizen to follow the law and contribute to public safety.
- Launched a new annual employee giving campaign, Give Together Month, where Rogers matched employee donations to the charity of their choice, up to $1,000 each. In total, $2.2 million was raised.
- Expanded Connected for Success, a program offering access to affordable, high-speed Internet to 150,000 low-income Canadian households through 200 subsidized housing partners across our cable footprint.

Other highlights

- Declared a quarterly dividend of $0.48 per each outstanding Class A Voting Share and Class B Non-Voting Share during 2017.
- Ended the year with approximately $2.7 billion of available liquidity, including $2.3 billion available under our bank and letter of credit facilities and $0.4 billion available under our $1.05 billion accounts receivable securitization program.

ITEM 4.2 – SIGNIFICANT ACQUISITIONS

N/A

ITEM 5 – Narrative Description of the Business

ITEM 5.1 – GENERAL – BUSINESS OVERVIEW

This section incorporates by reference the following sections contained in our2019 MD&A:

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PROPERTIES, TRADEMARKS, ENVIRONMENTAL, AND OTHER MATTERS

In most instances, the Company, through its subsidiaries, owns the assets essential to its operations. Our major fixed assets are:

- transmitters; microwave systems; antennae; buildings; electronic transmission, receiving, and processing accessories; and other wireless network equipment (including switches, radio channels, base station equipment, microwave facilities, and cell equipment);
- coaxial and fibre optic cables; set-top terminals, cable modems, and home monitoring equipment; electronic transmission, receiving, processing, digitizing, and distributing equipment; IP routers; data storage servers and network management equipment; and microwave equipment and antennae; and
- radio and television broadcasting equipment (including television cameras and television and radio production facilities and studios).

We either own or license the operating systems and software related to these assets. We also lease various distribution facilities from third parties, including space on utility poles and underground ducts for the placement of some of the cable distribution system. We either own or lease land or premises for the placement of hub sites, head-ends, switches, and space for other portions of the cable distribution system. We also lease premises and space on buildings for the placement of antenna towers. We have highly clustered and technologically advanced broadband cable networks in the provinces of Ontario, New Brunswick, and on the island of Newfoundland.

We operate a North American transcontinental fibre-optic network extending76,000 kilometres, providing a significant North American geographic footprint connecting Canada's largest markets while also reaching key US markets for the exchange of data and voice traffic, also known as peering.

We own or have licensed various brands and trademarks used in our businesses. Certain of our trade names and properties are protected by trademark and/or copyright. We maintain customer lists for our businesses. Our intellectual property, including our trade names, brands, properties, and customer lists, is important to our operations.

I n 2019, we spent approximately $0.3 million relating to environmental protection and management requirements. Environmental protection and management requirements applicable to our operations are not expected to have a significant effect on our capital expenditures, earnings, or competitive position in the current or future fiscal years.

ITEM 5.2 – RISK FACTORS

The following section is incorporated by reference herein: “Risks and Uncertainties Affecting Our Business” contained on pages 66 to 73 of our 2019 MD&A.

ITEM 6 – Dividends

ITEM 6.1 – DIVIDENDS

In January 2020, the RCI Board of Directors (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 1, 2020, to shareholders of record on March 10, 2020.

The table below shows when dividends have been declared and paid on the Class A Voting Shares and Class B Non-Voting Shares for the three most recently completed financial years.

Declaration date	Record date	Payment date	Dividend per share (dollars)	Dividends paid (in millions of dollars)
January 24, 2019	March 12, 2019	April 1, 2019	0.50	257
April 18, 2019	June 10, 2019	July 2, 2019	0.50	256
June 5, 2019	September 9, 2019	October 1, 2019	0.50	256
October 23, 2019	December 11, 2019	January 2, 2020	0.50	253
January 25, 2018	March 12, 2018	April 3, 2018	0.48	247
April 19, 2018	June 11, 2018	July 3, 2018	0.48	247
August 15, 2018	September 14, 2018	October 3, 2018	0.48	247
October 19, 2018	December 11, 2018	January 3, 2019	0.48	247
January 26, 2017	March 13, 2017	April 3, 2017	0.48	247
April 18, 2017	June 12, 2017	July 4, 2017	0.48	247
August 17, 2017	September 15, 2017	October 3, 2017	0.48	247
October 19, 2017	December 11, 2017	January 2, 2018	0.48	247

ITEM 7 – Description of Capital Structure

ITEM 7.1 – GENERAL DESCRIPTION OF CAPITAL STRUCTURE

The information required under the heading General Description of Capital Structure is contained in the2019 Audited Consolidated Financial Statements, Note 24, and is incorporated herein by reference.

Each Class A Voting Share of RCI carries the right to fifty votes on a poll and may be voted at the meetings of shareholders of RCI. Holders of Class B Non-Voting Shares of RCI and any series of preferred shares of RCI are entitled to receive notice of and to attend meetings of shareholders of RCI, but except as required by law or stipulated by stock exchanges, are not entitled to vote at such meetings. If an offer is made to purchase outstanding Class A Voting Shares, there is no requirement under applicable law or RCI's constating documents that an offer be made for the outstanding Class B Non-Voting Shares and there is no other protection available to holders of Class B Non-Voting Shares under RCI's constating documents. If an offer is made to purchase both Class A Voting Shares and Class B Non-Voting Shares, the offer for the Class A Voting Shares may be made on different terms than the offer made to the holders of Class B Non-Voting Shares.

ITEM 7.2 – CONSTRAINTS

RESTRICTIONS ON THE TRANSFER, VOTING, AND ISSUE OF SHARES

We have ownership interests in several Canadian entities licensed or authorized to operate under applicable communications laws (the Laws) including the:

- Broadcasting Act (Canada);
- Telecommunications Act (Canada); and
- Radiocommunication Act (Canada).

The Laws have foreign ownership limits (the Limits) for various classes of licensed or authorized entities. You can obtain a copy of the Limits from our Secretary. The Laws also impose a number of restrictions on changes in effective control of licensees or authorized entities, and the transfer of licences held by them. RCI's Articles of Amalgamation therefore impose restrictions on the issue and transfer of its shares and the exercise of voting rights to ensure that we, and any corporation existing in a Canadian jurisdiction in which we have an interest, are:

- qualified to hold or obtain any cable television, broadcasting, or telecommunications licence or authorized to operate a similar entity under the Laws; and
- not in breach of the Laws or any licences issued to us or to any of our Canadian subsidiaries, associates, or affiliates under the Laws.

If the Board considers that its or its subsidiaries' ability to hold and obtain licences, or to remain in compliance with the Laws, may be in jeopardy, the Board may invoke the restrictions in our Articles of Amalgamation on transfer, voting, and issue of our shares.

ITEM 7.3 – 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, and compensated, each of S&P Global Ratings Services (S&P), Moody's Investors Service (Moody's), and Fitch Ratings (Fitch) to rate certain of our public debt issues. During the last two years, we have made an annual payment of less than $100,000 to a credit rating organization for an information service other than a credit rating service. Below is a summary of the credit ratings on RCI's outstanding senior notes and debentures (long-term) and US CP (short-term) as at December 31, 2019.

Issuance	S&P	Moody's	Fitch
Corporate credit issuer default rating [1]	BBB+ with a stable outlook	Baa1 with a stable outlook	BBB+ with a stable outlook
Senior unsecured debt [1]	BBB+ with a stable outlook	Baa1 with a stable outlook	BBB+ with a stable outlook
US commercial paper [1]	A-2	P-2	N/A [2]

[1] Unchanged for the year.
[2] We have not sought a rating from Fitch for our short-term obligations .

Ratings for long-term debt instruments across the universe of composite rates range from AAA (S&P and Fitch) or Aaa (Moody's), representing the highest quality of securities rated, to D (S&P), 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) or Baa3 (Moody's) to AAA (S&P and Fitch) or Aaa (Moody's).

Ratings for short-term debt instruments across the universe of composite rates ranges from A-1+ (S&P), F1+ (Fitch), or P-1 (Moody's), representing the highest quality of securities rated, to C (S&P and Fitch), 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), F3 (Fitch), 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, and Moody's are investment-grade ratings.

ITEM 8 – Market for Securities

Class B Non-Voting Shares (CUSIP # 775109200) are listed in Canada on the Toronto Stock Exchange under the symbol RCI.B and in the United States on the New York Stock Exchange under the symbol RCI. Class A Voting Shares (CUSIP # 775109101) are listed on the Toronto Stock Exchange under the symbol RCI.A.

ITEM 8.1 – TRADING PRICE AND VOLUME

The following table sets forth, for the periods indicated, the reported high, low, and close prices and volume traded on the Toronto Stock Exchange for Class B Non-Voting Shares and Class A Voting Shares.

RCI.B

Month	High ($)	Low ($)	Close ($)	Volume
2019/01	73.65	68.83	71.08	20,792,932
2019/02	73.82	70.66	72.71	13,324,025
2019/03	73.16	68.38	71.87	29,485,814
2019/04	72.89	65.40	67.45	24,471,000
2019/05	71.87	67.69	71.11	22,359,263
2019/06	71.90	68.34	70.10	21,578,707
2019/07	71.78	67.70	68.51	16,226,629
2019/08	70.09	64.61	65.91	19,168,154
2019/09	67.87	64.42	64.53	22,675,678
2019/10	66.73	60.06	62.01	30,176,882
2019/11	64.54	61.50	64.42	24,957,932
2019/12	65.53	62.60	64.48	22,142,357

RCI.A

Month	High ($)	Low ($)	Close ($)	Volume
2019/01	72.99	69.50	71.00	24,686
2019/02	74.15	71.05	72.84	14,157
2019/03	73.29	68.50	72.40	25,719
2019/04	72.57	65.55	67.45	47,380
2019/05	71.89	67.32	71.35	26,887
2019/06	71.99	69.20	69.99	8,575
2019/07	71.79	68.00	68.03	7,675
2019/08	71.43	64.09	65.95	14,608
2019/09	67.75	64.38	65.23	23,685
2019/10	66.91	61.00	62.95	58,042
2019/11	68.40	61.86	66.01	113,873
2019/12	67.25	63.26	65.25	44,424

ITEM 8.2 – PRIOR SALES

In April 2019, we issued $1.0 billion 10-year 3.25% senior notes and US$1.25 billion 30-year 4.35% senior notes. In November 2019, we issued US$1.0 billion 30-year 3.7% senior notes.

ITEM 9 – Escrowed Securities and Securities Subject to Contractual Restriction on Transfer

N/A

ITEM 10 – Directors and Officers

ITEM 10.1 - Name, Occupations and Security Holding

Set forth below is information regarding the directors and senior executive officers of RCI as atMarch 5, 2020, including their city, province or state, and country of residence, and their principal occupation(s) within the five preceding years. Each director is elected at the annual meeting of shareholders to serve until the next annual meeting or until a successor is duly elected unless, prior thereto, he or she resigns or his or her office becomes vacant by death or other cause under applicable law. Officers are appointed by, and serve at the discretion of, the Board.

Name	Position
Directors	
Edward S. Rogers (2)(3)(7)(8)(9)	Director, Chair of RCI, and Chair of the Rogers Control Trust
Philip B. Lind, C.M. (9)	Director, Vice Chair of RCI, and member of the Advisory Committee of the Rogers Control Trust
Melinda M. Rogers (3)(6)(7)(8)(9)	Director, Deputy Chair of RCI, and Vice Chair of the Rogers Control Trust
Joe Natale	Director, President and Chief Executive Officer
Bonnie R. Brooks, C.M. (4)(5)(6)	Director
John H. Clappison, FCPA, FCA (1)(2)(4)	Lead Director
Robert Dépatie (3)(4)(5)	Director
Robert J. Gemmell (1)(6)(7)	Director
Alan D. Horn, CPA, CA (2)(6)(7)(9)	Director and member of the Advisory Committee of the Rogers Control Trust
John A. MacDonald (1)(3)(5)(10)	Director
Isabelle Marcoux, C.M. (4)(5)	Director
The Hon. David R. Peterson, PC, QC (3)(6)	Director
Loretta A. Rogers (8)(9)	Director and member of the Advisory Committee of the Rogers Control Trust
Martha L. Rogers (8)(9)	Director and member of the Advisory Committee of the Rogers Control Trust
Senior Executive Officers	
Joe Natale	Director, President and Chief Executive Officer
Eric P. Agius	Chief Customer Officer
Jordan R. Banks	President, Media
Lisa L. Durocher	Chief Digital Officer
Jorge Fernandes	Chief Technology and Information Officer
Philip J. Hartling	President, Connected Home
Brent R. Johnston	President, Wireless
Graeme McPhail	Chief Legal and Regulatory Officer and Secretary
Sevaun T. Palvetzian	Chief Communications Officer
Dean Prevost	President, Rogers for Business
James M. Reid	Chief Human Resources Officer
Anthony Staffieri, FCPA, FCA	Chief Financial Officer

(1) Denotes member of Audit and Risk Committee
(2) Denotes member of Executive Committee
(3) Denotes member of Nominating Committee
(4) Denotes member of Corporate Governance Committee
(5) Denotes member of Human Resources Committee
(6) Denotes member of Pension Committee
(7) Denotes member of Finance Committee
(8) Each of Edward S. Rogers, Loretta A. Rogers, Martha L. Rogers, and Melinda M. Rogers are immediate family members of each other and members of the family of the late Ted Rogers. For additional information, please see "Outstanding Shares and Main Shareholders" in RCI's 2019 Information Circular available on SEDAR at sedar.com.
(9) Voting control of RCI is held by the Rogers Control Trust. See "Outstanding Shares and Main Shareholders" in RCI's 2019 Information Circular available on SEDAR at sedar.com. Each of the individuals that are noted above as holding positions with the Rogers Control Trust have held such positions since December 2008.
(10) Mr. MacDonald was a director of Magor Corporation ("Magor") when it proactively filed a Notice of Intention to Make a Proposal pursuant to the provisions of the *Bankruptcy and Insolvency Act* on November 30, 2016. On July 11, 2017, Magor completed the sale of its wholly-owned subsidiary, Magor Communications Corp. (MCC), to N. Harris Computer Corporation. The transaction was approved by the Ontario Superior Court of Justice and Magor and MCC's creditors under the *Bankruptcy and Insolvency Act*. Magor ceased operations following the transaction.

Edward S. Rogers resides in Toronto, Ontario, Canada and has been a director of RCI since May 1997. Mr. Rogers has served as Chair of the Board of RCI since January 2018. Prior to that, he served as Deputy Chair of RCI from September 2009. Mr. Rogers is also Chair of the Rogers Bank, Chair of the Toronto Blue Jays, and is on the Board of Directors of Maple Leaf Sports & Entertainment, Cablelabs, and the Toronto SickKids Foundation. He is the Rogers Control Trust Chair and a member of the Advisory Committee of the Rogers Control Trust. Mr. Rogers served in various management positions at Rogers Communications for over 20 years, including as President of Rogers Cable Inc. After graduating from the University of Western Ontario, Mr. Rogers spent three years with Comcast Corporation. Mr. Rogers was a member of the Economic Council of Canada from 2010 to 2013.

Philip B. Lind, C.M. resides in Toronto, Ontario, Canada and has been a director of RCI since February 1979. Mr. Lind is non-executive Vice Chair of the Board of RCI and was Executive Vice President, Regulatory until his retirement in December 2014. Mr. Lind joined Rogers in 1969 as Programming Chief and has served as Secretary of the Board and Senior Vice President, Programming and Planning. Mr. Lind also serves as a director of the Vancouver Art Gallery and the Art Gallery of Ontario. Mr. Lind is a former member of the Board of the National Cable Television Association in the US and is a former Chairman of the Canadian Cable Television Association. He is also Chairman of the Board of the CCPTA (Channel 17, WNED) and a director of the Atlantic Salmon Federation and The US Cable Center, Denver. Mr. Lind holds a B.A. in Political Science and Sociology from the University of British Columbia and a M.A. in Political Science from the University of Rochester. In 2002, Mr. Lind received a Doctor of Laws, honoris causa, from the University of British Columbia. In 2002, Mr. Lind was appointed to the Order of Canada. In 2012, Mr. Lind was inducted into the US Cable Hall of Fame, the third Canadian to be so honoured.

Melinda M. Rogers resides in Toronto, Ontario, Canada and has been a director of RCI since May 2002. Ms. Rogers has served as Deputy Chair of the Board of RCI since January 2018 and as Vice Chair of the Rogers Control Trust since 2008. Ms. Rogers was appointed a director of Rogers Bank on December 31, 2017. Ms. Rogers has held progressively senior roles at Rogers since joining the Company in 2000. Most recently, she was Founder of Rogers Venture Partners from 2011 to 2018. She also served as Senior Vice President, Strategy and Development from 2006 to 2014, Vice President, Strategic Planning & Venture Investments from 2004 to 2006, and Vice President, Venture Investments from 2000 to 2004. Ms. Rogers serves on the board of Maple Leaf Sports and Entertainment and is Chair of Jays Care Foundation. Ms. Rogers holds a B.A. from the University of Western Ontario and a M.B.A. from Joseph L. Rotman School of Management at the University of Toronto. Ms. Rogers was awarded an honorary doctorate from Huron University College at Western University in November 2018.

Bonnie R. Brooks, C.M. resides in Toronto, Ontario, Canada and Florida, USA, and has been a director of RCI since April 2015. Ms. Brooks has more than 30 years of executive leadership in retail, customer service, product, and marketing in North America, Asia, and the United Kingdom. Ms. Brooks was appointed CEO and President of Chicos FAS Inc. in July 2019, and has served as a director since 2016. Ms. Brooks was the Vice Chair of Hudson's Bay Company (Saks Fifth Avenue, Lord and Taylor USA, Kaufhof Galleria Germany, and Hudson's Bay Canada) from February 2014 to December 2016. Ms. Brooks joined Hudson's Bay in September 2008 as CEO and President and in January 2012, was appointed President of Hudson's Bay Company for both Hudson's Bay and Lord and Taylor in the US. Ms. Brooks is a trustee of Riocan Real Estate Investment Trust. She is the former Chair of the Board of Trustees of the Royal Ontario Museum. Ms. Brooks is a recipient of the Queen Elizabeth II Diamond Jubilee Medal for her role in philanthropy and in supporting the Canadian Olympic Association and in December 2016, Ms. Brooks was appointed to the Order of Canada. Ms. Brooks holds a M.B.A. from the University of Western Ontario and three honorary doctorate degrees from Canadian universities.

John H. Clappison, FCPA, FCA resides in Toronto, Ontario, Canada and has served as Lead Director since April 2018, and a director of RCI since June 2006. Mr. Clappison joined the firm of Price Waterhouse in 1968. He became a Partner of the firm in 1980 and in 1990 became Managing Partner of the Greater Toronto Area office, a position he continued to hold after the merger of Price Waterhouse with Coopers & Lybrand to form PricewaterhouseCoopers in 1998, until he retired in 2005. Mr. Clappison is a Chartered Professional Accountant, Chartered Accountant, and a Fellow of the Chartered Professional Accountants of Ontario.

Robert Dépatie resides in Rosemère, Quebec, Canada and has been a director of RCI since April 2017. Mr. Dépatie has been the strategic advisor for Robert Depatie & Associates Inc. since July 2015. Prior to that, from February 2015 to June 2015, Mr. Dépatie was President of Groupe St-Hubert. Mr. Dépatie was President and CEO of Quebecor Inc. and Quebecor Media Inc. from May 2013 to April 2014, as well as President and CEO of Vidéotron ltée from June 2003 to May 2013. He joined Vidéotron ltée in December 2001 as Senior Vice President, Sales, Marketing and Customer Service. Mr. Dépatie is a director of Sportscene Group Inc. and Attraction média inc.

Robert J. Gemmell resides in Oakville, Ontario, Canada and has been a director of RCI since April 2017. Mr. Gemmell has spent 25 years as an investment banker in the United States and in Canada. Mr. Gemmell was President and Chief Executive Officer of Citigroup Global Markets Canada and its predecessor companies (Salomon Brothers Canada and Salomon Smith Barney Canada) from 1996 to 2008. In addition, he was a member of the Global Operating Committee of Citigroup Global Markets from 2006 to 2008. Mr. Gemmell holds a B.A. from Cornell University, a LL.B from Osgoode Hall Law School, and a M.B.A. from Schulich School of Business.

Alan D. Horn, CPA, CA resides in Toronto, Ontario, Canada and is President and Chief Executive Officer of Rogers Telecommunications Limited and certain private companies that control RCI. Mr. Horn served as Chair of the Board of RCI from March 2006 to December 2017. Mr. Horn also served as Interim President and Chief Executive Officer of the Company from October 2016 to April 2017 and from October 2008 to March 2009. Mr. Horn served as Vice President, Finance and Chief Financial Officer of the Company from September 1996 to March 2006. He also serves as a director of CCL Industries Inc., Fairfax India Holdings Corporation, and Trilogy International Partners Inc. Mr. Horn, a Chartered Professional Accountant and Chartered Accountant, is a member of the Advisory Committee of the Rogers Control Trust. Mr. Horn received a B.Sc. with First Class Honours in Mathematics from the University of Aberdeen, Scotland.

John A. MacDonald resides in Toronto, Ontario, Canada and has been a director of RCI since April 2012. Mr. MacDonald was President, Enterprise Division of MTS Allstream when he retired in December of 2008. In November 2002, Mr. MacDonald joined AT&T Canada as President and Chief Operating Officer. The company was re-branded Allstream in 2003 and was subsequently acquired by MTS the following year. Previously, Mr. MacDonald served as President and Chief Executive Officer of Leitch Technology Corp. Prior to that, he was with Bell Canada from 1994 to 1999, serving first as Executive Vice President, Business Development and Chief Technology Officer before becoming President and COO in 1998. Mr. MacDonald began his career in 1977 at NBTel, the major supplier of telecommunications services in New Brunswick, rising to the post of President and Chief Executive Officer in 1994. Mr. MacDonald serves as a director of Amdocs Limited and BookJane Inc. Mr. MacDonald holds a B.Sc. in electrical engineering from Dalhousie University and a B.A. in Engineering from the Technical University of Nova Scotia.

Isabelle Marcoux, C.M. resides in Montreal, Quebec, Canada and has been a director of RCI since April 2008. Ms. Marcoux was appointed Chair of the Board of Transcontinental Inc. in February 2012. Prior to being appointed Chair of the Board, Ms. Marcoux was Vice Chair from 2007 and Vice President, Corporate Development from 2004. Between 1997 and 2004, Ms. Marcoux held various senior positions at Transcontinental Inc. Prior to joining Transcontinental Inc., Ms. Marcoux was a lawyer at McCarthy Tétrault LLP. Ms. Marcoux serves as a director of Power Corporation of Canada. Ms. Marcoux has been a director of Montreal Children's Hospital Foundation since 2015 and is a Co-chair of the 2019-2026 Capital Campaign. In 2019, Ms. Marcoux was appointed Member of the Order of Canada. In 2018, Ms. Marcoux became a member of the Advisory Board of McGill University's Faculty of Law and Chair of the Major Donors' Circle for Centraide of Greater Montreal. Ms. Marcoux joined the "Club des entrepreneurs" of the Quebec Employers Council, recognizing her exceptional contribution to Quebec's economic development. In 2017, Ms. Marcoux was inducted into the Women's Executive Network (WXN) Hall of Fame and was awarded the Visionary Award for Strategic Leadership presented by the Women Corporate Directors Foundation. In 2016, Ms. Marcoux was awarded the Medal of the National Assembly of Quebec, recognizing the impact of her continuous community involvement, and was recognized as one of Canada's 100 Most Powerful Women by the WXN. Ms. Marcoux holds a B.A. in Economics and Political Sciences and a B.A. in Civil Law, both from McGill University.

The Hon. David R. Peterson, PC, QC resides in Toronto, Ontario, Canada and has been a director of RCI since April 1991. Mr. Peterson is Chairman Emeritus of the law firm Cassels Brock & Blackwell LLP. Mr. Peterson serves as a director of Franco-Nevada Corporation. Mr. Peterson is Chancellor Emeritus of the University of Toronto, Chairman of the Organizing Committee for the 2015 Pan Am Games, is a director of St. Michael's Hospital Foundation, and is on the Board of Governors of Stratford Festival. Mr. Peterson holds a B.A. from the University of Western Ontario, a LL.B from the University of Toronto, was called to the Bar of Ontario in 1969, appointed Queen's Counsel in 1980, and summoned by Her Majesty to the Privy Council in 1992. Mr. Peterson served as Premier of the Province of Ontario from 1985 to 1990.

Loretta A. Rogers resides in Toronto, Ontario, Canada and has been a director of RCI since December 1979. Mrs. Rogers is the former President of the Canadian Lyford Cay Foundation and remains a Board member, and sits on the Board of the American Lyford Cay Foundation. Mrs. Rogers is also a member of the Toronto General & Western Hospital Foundation. Mrs. Rogers holds a B.A. from the University of Miami, an honorary Doctor of Laws from the University of Western Ontario, an honorary Doctor of Laws from Ryerson University, and an honorary Doctor of Laws from the University of Toronto.

Martha L. Rogers resides in Toronto, Ontario, Canada and has been a director of RCI since December 2008, and previously served as a director of Rogers Wireless Communications Inc. and Rogers Media Inc. Ms. Rogers holds a Doctor of Naturopathic Medicine degree from the Canadian College of Naturopathic Medicine and a B.A. from the University of Western Ontario. Ms. Rogers serves on several charitable boards, including as Chair of the Rogers Foundation, and as a director of the Canadian Lyford Cay Foundation, a member of the Advisory Board of Artists for Peace and Justice, and is Chair of Global Poverty Project Canada. Ms. Rogers also serves as a director of The Dolphin Project.

Joe Natale resides in Toronto, Ontario, Canada and has served as President and Chief Executive Officer and a director of RCI since April 2017. Previously, Mr. Natale was with TELUS Corporation from 2003 to 2015 where he held a number of senior positions, including President and CEO. Prior to 2003, Mr. Natale held successive senior leadership roles within KPMG, which he joined after it acquired the company he co-founded, PNO Management Consultants Inc., in 1997. Mr. Natale serves on the board of the CivicAction Leadership Foundation and The Hospital for Sick Children. Mr. Natale holds a BASc degree in Electrical Engineering from the University of Waterloo.

Eric P. Agius resides in Markham, Ontario, Canada and has served as Chief Customer Officer since February 2020. Prior to that, he served as Senior Vice President, Customer Care from 2018 to 2020 and as Senior Vice President, Consumer Channels from 2016 to 2018. Mr. Agius is responsible for shaping a unified customer experience across the Company's channels and leading Customer Care. Prior to joining Rogers, Mr. Agius was the Senior Vice President and General Manager of Carter's Canada from 2013 to 2016, and also CEO and President of LG Electronics Canada from 2009 to 2013. Mr. Agius holds a B.A. from McMaster University.

Jordan R. Banks resides in Toronto, Ontario, Canada and has served as President, Media since September 2019. Mr. Banks is responsible for driving strategy and overseeing operations for the Company's robust portfolio of media assets. Prior to joining Rogers, Mr. Banks was the Managing Director of Facebook and Instagram Canada from 2010 to 2017. In addition, he was the Founder and Managing Partner of Thunder Road Capital from 2008 to 2019. Mr. Banks serves as a director for the Toronto SickKids Foundation, the Canadian Children's Literacy Foundation, and Cineplex Inc. Mr. Banks holds a B.A. from Western University and a LL.B from Osgoode Hall Law School.

Lisa L. Durocher resides in Toronto, Ontario, Canada and has served as Chief Digital Officer since June 2017. Ms. Durocher was previously Senior Vice President, Digital from August 2016 to June 2017. Ms. Durocher is responsible for the Company's digital strategy, design, planning, and development for all digital platforms across consumer and enterprise. Prior to joining Rogers, Ms. Durocher was at American Express in New York City, where she held several senior leadership positions from 2002 to 2016, most recently Senior Vice President, Charge and Benefits from June 2013 to August 2016. Ms. Durocher holds an HBA degree from Wilfred Laurier University.

Jorge Fernandes resides in Toronto, Ontario, Canada and has served as Chief Technology and Information Officer since June 2018, and prior to that, as Chief Technology Officer since February 2018. Mr. Fernandes is responsible for the planning, design, engineering, implementation, and operations of the Rogers wireless and wireline networks. Prior to joining Rogers, Mr. Fernandes was Chief Technology Officer at Vodafone, U.K. from January 2015 to January 2018. Before that, Mr. Fernandes was Chief Technology Officer and a board member of Vodafone Turkey from November 2011 to December 2014 and Chief Technology Officer and a board member of Vodafone Portugal from November 2008 to October 2011. Between 2002 and 2008, Mr. Fernandes held various director-level positions within Vodafone's operating companies in Portugal and the U.K. Mr. Fernandes holds a Licentiate degree in Economics and Business Management from Autonomous University of Lisbon and he completed the Católica Lisbon/Kellogg School of Management Advanced Management Program.

Philip J. Hartling resides in Schomberg, Ontario, Canada and has served as President, Connected Home since February 2019, and prior to that, as President, Residential since June 2018. He also served as Interim President, Consumer from December 2017 to June 2018. Mr. Hartling is responsible for the Company's residential business, including strategy, product development, marketing, customer experience, sales channels and customer care operations, pricing, and customer base management. Between 2005 and 2017, Mr. Hartling held various senior leadership positions within Rogers, in both operational and strategic functions. Most recently, Mr. Hartling was Senior Vice President, Commercial Strategy since November 2015, accountable for driving success in value management, pricing, and customer investment. Mr. Hartling joined the Company in 2005 when it acquired Sprint Canada, where he held a number of senior positions in marketing, sales, and customer service since August 2000, including the role of Senior Vice President, Consumer Services. Mr. Hartling holds a MPA and a B.Comm from Dalhousie University.

Brent R. Johnston resides in Toronto, Ontario, Canada and has served as President, Wireless since June 2018. Mr. Johnston is responsible for leading the Company's consumer wireless business. Prior to joining Rogers, Mr. Johnston was Senior Managing Director at Apple Canada from February 2016 to May 2018. Previously, he was at TELUS Corporation for eleven years, acting in various wireless marketing roles, most recently as Senior Vice President, Consumer Marketing from May 2014 to January 2016. Mr. Johnston is a member of the Board of Governors of JA Central Ontario. Mr. Johnston holds a B.Eng. from Princeton University and a M.Sc.Eng. from Stanford University.

Graeme McPhail resides in Toronto, Ontario, Canada and has served as Chief Legal and Regulatory Officer and Secretary since June 2018. Mr. McPhail oversees legal, regulatory, and government relations at Rogers. He has a wide breadth of experience in telecommunications, with three decades specializing in complex transactions and joint ventures. Mr. McPhail joined Rogers in 1991 as Legal Counsel, and held successively more senior positions, most recently Senior Vice President, Legal & General Counsel. Mr. McPhail is a director of Glentel Inc. and the Canadian Wireless Telecommunications Association.

Sevaun T. Palvetzian resides in Toronto, Ontario, Canada and has served as Chief Communications Officer since February 2020. Ms. Palvetzian oversees the communications and corporate social responsibility programs at Rogers. Prior to joining Rogers, Ms. Palvetzian served for six years as CEO of CivicAction from 2014 to 2020. Prior to that, she held senior leadership positions within the Ontario government from 2004 to 2014, including leading communications for a major government ministry and leading the project team for Trillium Park, the Toronto waterfront greenspace development. Ms. Palvetzian serves on the boards of Waterfront Toronto, NEXT Canada, and the Ivey Business School Leadership Advisory Council. Ms. Palvetzian holds M.A. History and B.A. (hons) degrees from Western University and has completed executive programs at the Harvard Business School and Ivey Business School at Western University.

Dean Prevost resides in Calgary, Alberta, Canada and has served as President, Rogers for Business (formerly President, Enterprise) since September 2017. Mr. Prevost is responsible for delivering wireless, wireline, and data centre products and solutions to small, medium, large, and public sector businesses across Canada. Prior to joining Rogers, Mr. Prevost was at Hi-Pro Feeds, where he was CEO from 2014 to 2017. Mr. Prevost held various senior executive positions at AT&T Canada/MTS Allstream from 1997 to 2013, including five years as President from 2009 to 2013. Mr. Prevost is the Chair of the Board of Trustees for JUMP Math, a charitable organization that helps children love and succeed at math. Mr. Prevost holds a M.B.A. from Harvard University and a B.Comm with distinction from the University of Calgary.

James M. Reid resides in Toronto, Ontario, Canada and has served as Chief Human Resources Officer since August 2011. Mr. Reid is responsible for shaping the talent, culture, and engagement strategy at Rogers. Prior to joining Rogers, Mr. Reid was Head of Global Human Resources at both Husky Injection Molding Systems and MDS Inc. He also served as an officer and pilot in the Canadian Armed Forces. Mr. Reid holds a B.Sc. from the Royal Roads Military College and a M.B.A. from McMaster University.

Anthony Staffieri, FCPA, FCA resides in Toronto, Ontario, Canada and has served as Chief Financial Officer since April 2012. Prior to joining Rogers, Mr. Staffieri was Senior Vice President for Bell Canada Enterprises (BCE). He joined BCE in 2005 from Celestica International Inc., where he served in various senior executive roles from 1999 to 2005. Mr. Staffieri was a Partner with PricewaterhouseCoopers, where he began his career, leaving the firm in 1999 to join the executive leadership team of Celestica. Mr. Staffieri serves as a board member for several of the Company's subsidiaries and affiliates, including Rogers Bank, the Toronto Blue Jays, and MLSE. He also serves Ryerson University as Vice Chair of their Board of Governors and Chair of their Executive Committee. He is a Chartered Professional Accountant, Chartered Accountant, as well as a Fellow of the Chartered Professional Accountants of Ontario. Mr. Staffieri holds a B.B.A. from the Schulich School of Business.

As at December 31, 2019, RCI's directors and executive officers as a group owned, directly or indirectly, an aggregate of 108,838,318 Class A Voting Shares, representing approximately 97.9% of the issued and outstanding Class A Voting Shares. Certain directors have positions with, or are beneficiaries of, the Rogers Control Trust, which holds voting control of the Rogers group of companies for the benefit of successive generations of the Rogers family. See "Outstanding Shares and Main Shareholders" in RCI's 2019 Information Circular available on SEDAR at sedar.com.

COMPOSITION OF THE BOARD
The Board currently has 14 members.

Independent Directors
The Board is responsible for determining whether a director is "independent" within the meaning of National Instrument 58-101 - "Disclosure of Corporate Governance Practices" (NI 58-101). Certain directors may be principals of, partners in, or hold other positions with entities that provide legal, financial, or other services to us. The Board has adopted discretionary Director Material Relationship Standards for the purpose of assisting the Board in making determinations regarding whether or not a direct or indirect business, commercial, banking, consulting, professional, or charitable relationship a director may have with RCI or its subsidiaries is a material relationship that could, in the view of the Board, reasonably interfere with the exercise of the director's independent judgment. These standards can be reviewed in the Corporate Governance section of our website at investors.rogers.com/corporate-governance.

Based on the information provided by each director and the recommendations of the Corporate Governance Committee, the Board has determined that the following directors are independent in accordance with the requirements of NI 58-101 and the standards referred to above. In making this determination, the Board considered all of the relationships that each director has with the Company (taking the discretionary standards referred to above and other factors the Board considered relevant into account) and concluded that none of the relationships considered would likely impair the director's independent judgment.

Bonnie R. Brooks, C.M.
John H. Clappison, FCPA, FCA
Robert Dépatie
Robert J. Gemmell
John A. MacDonald
Isabelle Marcoux, C.M.
The Hon. David R. Peterson, PC, QC

Prior to Mr. Burgess' resignation from the Board effective November 20, 2019, a majority of our directors were independent during 2019, while currently half of the directors are independent. The Board currently intends to nominate proposed directors that would result in a majority of independent directors, if all those nominated are elected at the upcoming annual general shareholder meeting.

Lead Director
Pursuant to the Board Charter, the Board has appointed John H. Clappison as Lead Director. The Lead Director facilitates the functioning of the Board independently of management of the Company and provides independent leadership to the Board. Shareholders wishing to contact the Lead Director may write to the Lead Director, in care of the Corporate Secretary, at the head office of the Company, 333 Bloor Street East, 10th Floor, Toronto, Ontario M4W 1G9, Canada.

BOARD COMMITTEES
The Board has seven permanent (or standing) committees. The Board may appoint special committees to deal with specific matters. A special committee might, for example, consider proposed material transactions between the significant shareholder and us or between our subsidiaries and us. In those cases, the committee would consist entirely of independent directors who have no relationship to us or to the significant shareholder other than as a director. Charters for the various Board committees can be reviewed in the Corporate Governance section of our website at investors.rogers.com/corporate-governance.

CONTROLLED COMPANY EXEMPTION
The NYSE listing standards require a listed company to have, among other things, (i) a nominating committee consisting entirely of independent directors, and (ii) a majority of independent directors on the board. The rules permit a "controlled company" to be exempt from these requirements. A "controlled company" is a company of which more than 50% of the voting power is held by an individual, group, or other company. The Board has determined that it is appropriate for directors affiliated with the controlling shareholder to serve on the Board committees apart from the Audit and Risk Committee because of the alignment of interests between our controlling shareholder and our minority shareholders, namely the creation of value and long-term growth. Accordingly, the Board has approved the Company's reliance on the controlled company exemption with regards to membership of the nominating committee. Prior to Mr. Burgess' resignation from the Board effective November 20, 2019, a majority of our directors were independent, while currently half of the directors are independent. The Board currently intends to nominate proposed directors that would result in a majority of independent directors, if all those nominated are elected at the upcoming annual general shareholder meeting.

FOREIGN PRIVATE ISSUER STATUS
Under the NYSE listing standards, a "foreign private issuer", such as the Company, is not required to comply with most of the NYSE corporate governance listing standards. However, foreign private issuers are required to disclose any significant ways in which their corporate governance practices differ from those followed by US companies under the NYSE listing standards.

Appointment of Auditors
The NYSE listing standards require the audit committee of a US company to be directly responsible for the appointment of any registered accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit review or attest services. There is an exception for foreign private issuers that are required under a home country law to have auditors selected pursuant to home country standards. Pursuant to the British Columbia Business Corporations Act, our auditors are to be appointed by the shareholders at the annual general meeting of RCI. Our Audit and Risk Committee is responsible for evaluating the auditors and advising the Board of its recommendation regarding the appointment of auditors.

Shareholder Approval of Equity Compensation Plans
The NYSE listing standards also require shareholder approval of all equity compensation plans and material revisions to such plans. The definition of "equity compensation plan" covers plans that provide for the delivery of newly issued or treasury securities. The TSX rules provide that only the creation of, or material amendments to, equity compensation plans that provide for new issuances of securities are subject to shareholder approval in certain circumstances. We follow the TSX rules with respect to the requirements for shareholder approval of equity compensation plans and material revisions to such plans.

CORPORATE GOVERNANCE PRACTICES
The Board endorses the principle that our corporate governance practices are a fundamental part of our proper functioning as a corporation. The Board believes that these corporate governance practices enhance the interests of our security holders, employees, customers, and of others dealing with us. Our Statement of Corporate Governance Practices can be reviewed in the Corporate Governance section of our Company's website at investors.rogers.com/corporate-governance.

ITEM 10.2 - Cease Trade Orders, Bankruptcies, Penalties, or Sanctions

To our knowledge, based on information supplied by the directors and executive officers, none of our directors or senior executive officers, or a shareholder holding a sufficient number of securities to affect materially the control of the Company is, or within the ten years prior to the date hereof has been, a director or executive officer of any company that: (i) while that person was acting in that capacity was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; (ii) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days; or (iii) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or
instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager, or trustee appointed to hold its assets, except as follows:

1. Mr. MacDonald was a director of Magor Corporation (Magor) when it proactively filed a Notice of Intention to Make a Proposal pursuant to the provisions of the *Bankruptcy and Insolvency Act* on November 30, 2016. On July 11, 2017, Magor completed the sale of its wholly-owned subsidiary, Magor Communications Corp. (MCC), to N. Harris Computer Corporation. The transaction was approved by the Ontario Superior Court of Justice and Magor and MCC's creditors under the *Bankruptcy and Insolvency Act*. Magor ceased operations following the transaction.

None of our directors or executive officers, or a shareholder holding a sufficient number of securities to affect materially the control of the Company has, within the ten years prior to the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager, or trustee appointed to hold the assets of the director, officer, or shareholder.

ITEM 10.3 - Conflicts of Interest

The Board has adopted both a Directors Code of Conduct and Ethics and the Business Conduct Policy for directors, officers, and employees, which we refer to as the Codes. The Codes require our directors, officers, and employees to disclose any material transaction or relationship that could reasonably be expected to give rise to a conflict of interest, among other requirements.

To ensure the directors exercise independent judgment in considering transactions, agreements, or decisions in respect of which a director has a material interest, the directors follow a practice whereby any such director with a material interest must be absent during any board discussion pertaining thereto and must not cast a vote on such matter.

Issues arising in connection with the Codes, including conflicts of interest, are reported to the Audit and Risk Committee (in the case of the Business Conduct Policy) or to the Corporate Governance Committee (in the case of the Directors Code of Conduct and Ethics), each of which are responsible for

monitoring compliance with the applicable Code and applying and interpreting the applicable Code in particular situations. The Committees must inform the Board of any Code violation. Any waiver of a Code provision may be made only by the Board or by the applicable committee and reported to the Board.

Processes are in place to ensure compliance with the Codes by the Board, officers, and employees, such as distribution of the Business Conduct Policy to our employees and the STAR Hotline, our anonymous whistleblower hotline.

The Codes can be reviewed in the Corporate Governance section of our website at investors.rogers.com/corporate-governance.

ITEM 11 – Promoters

N/A

ITEM 12 – Legal Proceedings and Regulatory Actions

ITEM 12.1 – LEGAL PROCEEDINGS

The following is incorporated by reference herein: “Litigation Risks”, beginning on page 72 of our2019 MD&A.

ITEM 12.2 – REGULATORY ACTIONS

N/A

ITEM 13 – Interest of Management and Others in Material Transactions

N/A

ITEM 14 – Transfer Agents and Registrars

RCI's Canadian Transfer Agent and Registrar is:
AST Trust Company (Canada)
1 Toronto Street, Suite 1200
Toronto, Ontario
M5C 2V6

RCI's United States Transfer Agent and Registrar is:
American Stock Transfer & Trust Company, LLC
6201-15th Ave.
Brooklyn, NY
11219
USA

Shareholders with questions relating to distributions, transfer of shares, lost stock certificates, and/or address changes should be directed to AST Trust Company (Canada):

Tel: 1.800.387.0825 (US and Canada) / 416.682.3860 (Outside North America)
Fax: 1.888.249.6189
E-mail: inquiries@astfinancial.com
Website: www.astfinancial.com/ca-en

By mail:
P.O. Box 700, Station B
Montreal, Quebec
H3B 3K3

By courier:
2001 Boul. Robert-Bourassa, Suite 1600
Montreal, Quebec
H3A 2A6

ITEM 15 – Material Contracts

N/A

ITEM 16 – Interests of Experts

ITEM 16.1 – NAME OF EXPERTS

Our auditor is KPMG LLP, Chartered Professional Accountants, Toronto, Ontario, Canada.

ITEM 16.2 – INTERESTS OF EXPERTS

KPMG LLP is our auditor and has confirmed that it is independent with respect to the Company within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulation and that they are independent accountants with respect to the Company under all relevant US professional and regulatory standards.

ITEM 17 – Audit and Risk Committee

ITEM 17.1 – AUDIT AND RISK COMMITTEE MANDATE

OUR MAIN RESPONSIBILITIES:

- overseeing reliable, accurate and clear policies and practices for the preparation of financial reports to shareholders
- overseeing the design, implementation and review of internal controls - the necessary checks and balances must be in place
- recommending to the Board the appointment of the external auditor, based on an evaluation of the qualifications, independence and oversight of the auditors' work - the shareholders' auditors report directly to the Audit and Risk Committee (the "Committee")
- meeting with Rogers Communications Inc.'s (the "Company") external and internal auditors and evaluating the effectiveness and independence of each
- overseeing the establishment and maintenance of processes and controls that ensure the Company is in compliance with both the laws and regulations that apply to it as it relates to financial reporting and risk management
- reviewing the annual strategic risk assessment, including management's implementation of risk policies and actions to monitor and control major risk exposures
- reviewing the Company's business continuity and disaster recovery plans
- receiving reports on, and approving, if appropriate, certain transactions with related parties

PURPOSE OF THE AUDIT AND RISK COMMITTEE

The Committee shall assist the Board of Directors (the "Board") of the Company in fulfilling its oversight responsibilities in the following principal areas:

(i) financial reporting processes and the integrity of financial statements provided by the Company to the public;
(ii) recommending to the Board the appointment of the external auditor, based on an evaluation of the qualifications, independence and oversight of the auditor's work;
(iii) the qualifications and performance of internal auditors;
(iv) the Company's accounting systems, financial controls and disclosure controls;
(v) compliance with applicable legal and regulatory requirements; and
(vi) the implementation of appropriate risk assessment systems to identify and manage principal risks of the Company's business.

In addition to the responsibilities specifically enumerated in this Mandate, the Board may refer to the Committee as it sees fit, on matters and questions relating to the financial position of the Company and its subsidiaries.

INDEPENDENCE

The Committee is composed entirely of independent directors within the meaning of applicable securities laws and the Company's Director Material Relationship Standards.

The members meet regularly without management present.

The members have the authority to engage independent advisors, paid for by the Company, to help the Committee make the best possible decisions on the financial reporting, accounting and risk management policies and practices, disclosure practices and internal controls of the Company.

MEMBERSHIP

The Committee shall be comprised of not less than three members of the Board, each of whom shall be independent of management in accordance with applicable securities laws and based on the Company's Director Material Relationship Standards.

The Chief Executive Officer may attend each meeting of the Committee at the invitation of the Chair of the Committee (the "Chair").

The members shall be selected based upon the following, in accordance with applicable laws, rules and regulations:

(a) **Independence.** Each member shall be independent in accordance with applicable securities laws and based on the Company's Director Material Relationship Standards and in such regard shall have no direct or indirect material relationship with the Company that, in the view of the Board, could reasonably interfere with the exercise of a member's independent judgment.
(b) **Financially Literate.** Each member shall be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the Committee. For these purposes, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements. In addition, at least one member must be a financial expert as defined in accordance with applicable securities laws.

(c) **Commitment.** In addition to being a member of the Committee and of any audit committee of any affiliate of the Company, if a member of the Committee is also on the audit committee of more than two additional public companies, the Board or the Nominating Committee shall determine that such simultaneous service does not impair the ability of such member to serve effectively on the Committee.

CHAIR AND SECRETARY
The Chair shall be chosen by the Board and shall serve in that capacity until the next Annual General Meeting of Shareholders of the Company or until his or her earlier resignation or removal by resolution of the Board. The Secretary of the Company shall be the Secretary of the Committee, provided that if the Secretary is not present, the Chair of the meeting may appoint a secretary for the meeting with the consent of the Committee members who are present.

MEETINGS
The times and locations of meetings of the Committee and the calling of and procedures at such meetings, shall be determined from time to time by the Committee, in consultation with management when necessary, provided that there shall be a minimum of four meetings per year. Subject to the notice provisions of the Articles of the Company, written notice shall be provided no later than 48 hours prior to meetings, unless waived by all members of the Committee. Notice of every meeting shall be given to the external and internal auditors of the Company.

Agendas for meetings of the Committee shall be prepared by the Chair, in consultation with management and the Secretary, and shall be circulated to Committee members prior to Committee meetings. A quorum for meetings of the Committee shall be a majority of members.

A member of the Committee may be designated as the liaison member to report on the deliberations of the Committee to the Board.

REMUNERATION
The members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board may determine from time to time.

RESOURCES AND AUTHORITY
The Committee shall have the resources and the authority to discharge its responsibilities, including the authority to engage, at the expense of the Company, outside consultants, independent legal counsel and other advisors and experts as it determines necessary to carry out its duties, without seeking approval of the Board or management.

The Committee shall have the authority to conduct any investigation necessary and appropriate to fulfill its responsibilities and has direct access to and the authority to communicate directly with the external auditors, internal auditors, the Chief Legal and Regulatory Officer of the Company and other officers and employees of the Company.

The members of the Committee shall have the right to inspect all the books and records of the Company and its subsidiaries and to discuss such accounts and records and any matters relating to the financial position, risk management and internal controls of the Company with the officers and external and internal auditors of the Company and its subsidiaries for the purpose of performing their duties. Any member of the Committee may require the external or internal auditors to attend any or every meeting of the Committee.

RESPONSIBILITIES
The Company's management is responsible for the preparation of the Company's financial statements and the external auditors are responsible for auditing those financial statements, in accordance with applicable standards. The Committee is responsible for overseeing the conduct of those activities by the Company's management and external auditors and overseeing the activities of the internal auditors. The Company's external auditors are accountable to the Committee.

It is recognized that members of the Committee are not full-time employees of the Company and do not represent themselves as accountants or auditors by profession or experts in the fields of accounting, auditing or the preparation of financial statements. It is not the duty or responsibility of the Committee or its members to conduct "field work" or other types of auditing or accounting reviews or procedures. Each member of the Committee shall be entitled to rely on (i) the integrity of those persons and organizations within and outside the Company from whom it receives information, and (ii) the accuracy of the financial and other information provided to the Committee by such persons or organizations absent actual knowledge to the contrary.

The specific responsibilities of the Committee shall include those listed below. The enumerated responsibilities are not intended to restrict the Committee from reviewing and making recommendations regarding any matters related to its purpose.

1. Financial Reporting Process and Financial Statements

(a) in consultation with the external auditors and the internal auditors, review the integrity of the Company's financial reporting process, both internal and external, and any material issues as to the adequacy of the internal controls and any special audit steps adopted in light of material control deficiencies identified to it by the external or internal auditors or of which the Committee otherwise becomes aware;

(b) review all material transactions and material contracts entered into by the Company and its subsidiaries with any insider or related party of the Company, other than officer or employee compensation arrangements approved or recommended by the Human Resources Committee or director remuneration approved or recommended by the Corporate Governance Committee;

(c) review and discuss with management and the external auditors the Company's annual audited consolidated financial statements and its interim unaudited consolidated financial statements, and discuss with the external auditors the matters required to be discussed by generally accepted auditing standards in Canada and/or the United States, as applicable, as may be modified or supplemented, and for such purpose, receive and review the year-end report by the external auditors describing: (i) all critical accounting policies and practices used by the Company, (ii) all material alternative accounting treatments of financial information within generally accepted accounting principles (GAAP) and/or non-GAAP measures that have been discussed with management, including the ramifications of the use of such alternative treatments and disclosures and the treatment preferred by the external auditors, and (iii) other material written communications between the external auditors and management, and discuss such annual report with the external auditors;

(d) following completion of the annual audit, review with each of management, the external auditors and the internal auditors any significant issues, concerns or difficulties encountered during the course of the audit;

(e) resolve disagreements between management and the external auditors regarding financial reporting;

(f) review the interim quarterly and annual financial statements and press releases prior to the release of earnings information;

(g) review emerging accounting issues and their potential impact on the Company's financial reporting;

(h) review and be satisfied that adequate procedures are in place for the review and timely disclosure of any public disclosure of financial information by the Company extracted or derived from the Company's financial statements, other than the disclosure referred to in (f), and periodically assess the adequacy of those procedures;

(i) meet separately, periodically, with management, with the internal auditors and with the external auditors; and

(j) the interim consolidated financial statements, the Company's disclosure under "Management's Discussion and Analysis" for interim periods and interim earnings press releases may be approved by the Committee on behalf of the Board, provided that such approval is subsequently reported to the Board at its next meeting.

2. External Auditors

(a) require the external auditors to report directly to the Committee;

(b) be directly responsible for the selection, nomination, retention, termination and oversight of the work of the Company's external auditors engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attestation services for the Company, and in such regard recommend to the Board the external auditors to be nominated for approval by the shareholders. A formal review of the qualifications, expertise, resources and the overall performance of the external auditors is conducted annually. A comprehensive review of the external auditors is conducted at least every five years and findings are presented to the Board;

(c) recommend to the Board the compensation of the external auditors;

(d) pre-approve all audit engagements and the provision by the external auditors of all non-audit services, including fees and terms for all audit engagements and non-audit engagements, and in such regard the Committee may establish the types of non-audit services the external auditors shall be prohibited from providing and shall establish the types of audit, audit-related and non-audit services for which the Committee will retain the external auditors. The Committee may delegate to one or more of its members the authority to pre-approve non-audit services, provided that any such delegated pre-approval shall be exercised in accordance with the types of particular non-audit services authorized by the Committee to be provided by the external auditor and the exercise of such delegated pre-approvals shall be presented to the full Committee at its next scheduled meeting following such pre-approval;

(e) review and approve the Company's policies for the hiring of partners and employees and former partners and employees of the external auditors;

(f) review the annual audit plan with the external auditors;

(g) consider, assess and report to the Board with regard to the independence, objectivity, professional skepticism, and performance of the external auditors, at least annually, including an evaluation of the lead partner and consideration of rotation of such lead partner and the audit firm itself; and

(h) request and review a report by the external auditors, to be submitted at least annually, regarding the auditing firm's relationships with the Company, internal quality control procedures, any material issues raised by the most recent internal quality control review, or peer review, of the auditing firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the external auditors, and any steps taken to deal with any such issues.

3. Internal Auditors

(a) review and approve the internal audit charter annually;
(b) approve the annual internal audit plan and discuss internal audit's mandate with the Chief Audit Executive, including the staffing, responsibilities and budgets;
(c) obtain periodic reports from the Chief Audit Executive regarding internal audit findings and the Company's progress in remedying any significant audit findings;
(d) review the scope, responsibilities and effectiveness of the internal audit team, including its independence from management, credentials, resources and working relationship with the external auditors; and
(e) review and recommend for approval the appointment and dismissal of the Chief Audit Executive.

4. Accounting Systems, Internal Controls and Disclosure Controls

(a) oversee management's design and implementation of and reporting on internal controls; receive and review reports from management, the internal auditors and the external auditors with regard to the reliability and effective operation of the Company's accounting system and internal controls;
(b) review with senior management the controls and procedures adopted by the Company to confirm that material information about the Company and its subsidiaries that is required to be disclosed under applicable law or stock exchange rules is disclosed within the required time periods;
(c) review and discuss with management, the external auditors and internal audit compliance with the Company's Disclosure Policy by Directors, Officers and other management personnel;
(d) review with senior management and the Chief Audit Executive the adequacy of the internal controls adopted by the Company to safeguard assets from loss and unauthorized use, to prevent, deter and detect fraud, and to verify the accuracy of the financial records and review any special audit steps adopted in light of material weaknesses or significant deficiencies; and
(e) review disclosures made to the Committee by the Chief Executive Officer and Chief Financial Officer during their certification process for applicable securities law filings about any significant deficiencies and material weaknesses in the design or operation of the Company's internal control over financial reporting that are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information required to be disclosed by the Company in the reports that it files or submits under U.S. federal securities law or applicable Canadian federal and provincial legislation and regulations within the required time periods, and any fraud, whether or not material, involving management or other employees who have a significant role in the Company's internal control over financial reporting.

5. Legal and Regulatory Requirements

(a) receive and review timely analysis by management of significant issues relating to public disclosure and reporting;
(b) review, prior to finalization, periodic public disclosure documents containing financial information, including Management's Discussion and Analysis and the Annual Information Form;
(c) review disclosures related to the Committee required to be included in the Company's continuous disclosure filings;
(d) review with the Company's Chief Legal and Regulatory Officer legal compliance matters, significant litigation and other legal matters that could have a significant impact on the Company's financial statements; and
(e) assist the Board in the oversight of compliance with legal and regulatory requirements.

6. Risk Management

The Committee will review the Company's:

(a) annual strategic risk assessment identifying principal risks and their potential impact on the Company's ability to achieve its business objectives;
(b) processes for identifying, assessing and managing risks;
(c) major risk exposures and trends from all areas (e.g. information and cyber security, financial, data, privacy, physical security, environmental impact, new business initiatives) and management's implementation of risk policies and procedures to monitor and control such exposures;
(d) business continuity plans and disaster recovery plans;
(e) insurance coverage maintained by the Company at least annually; and
(f) other risk management matters from time to time as the Committee may consider appropriate or as the Board may specifically direct.

7. Additional Responsibilities

(a) establish procedures and policies for:
  (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and
  (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;
(b) prepare and review with the Board an annual performance evaluation of the Committee;
(c) review the adequacy of staffing of key financial functions and management's plans for improvements;
(d) review earnings guidance provided to stakeholders, including analysts and rating agencies;
(e) periodically review with senior management the status of significant taxation matters;

(f) report regularly to the Board, including matters such as the quality or integrity of the Company's financial statements, compliance with legal or regulatory requirements, the performance of the internal audit function, the performance of the risk management process and the performance and independence of the external auditors; and
(g) review and reassess the adequacy of the Committee's Mandate on an annual basis.

ITEM 17.2 – COMPOSITION OF THE AUDIT AND RISK COMMITTEE

The following individuals are the members of the Audit and Risk Committee, each of whom is considered to be independent:

John H. Clappison (Chair)
Robert J. Gemmell
John A. MacDonald

ITEM 17.3 – RELEVANT EDUCATION AND EXPERIENCE

Each member of the Audit and Risk Committee is financially literate and has the ability to perform his responsibilities as a member of the Audit and Risk Committee based on his education and experience as summarized below:

Mr. Clappison (Chair)	Chartered Professional Accountant, Chartered Accountant; former Greater Toronto Area Managing Partner of PricewaterhouseCoopers LLP.
Mr. Gemmell	Former President and Chief Executive Officer of Citigroup Global Markets Canada. 25 years as an investment banker in the United States and in Canada. Mr. Gemmell holds a B.A. from Cornell University, a LL.B from Osgoode Hall Law School, and a M.B.A. from the Schulich School of Business.
Mr. MacDonald	Former President of Enterprise Division of MTS Allstream; former President and COO of Bell Canada and former CEO of NBTel. Mr. MacDonald holds a B.Sc. in electrical engineering from Dalhousie University and a B.A. in Engineering from the Technical University of Nova Scotia.

ITEM 17.4 – RELIANCE ON CERTAIN EXEMPTIONS

N/A

ITEM 17.5 – RELIANCE ON THE EXEMPTION IN SUBSECTION 3.3(2) OR SECTION 3.6

N/A

ITEM 17.6 – RELIANCE ON SECTION 3.8

N/A

ITEM 17.7 – AUDIT AND RISK COMMITTEE OVERSIGHT

N/A

ITEM 17.8 – PRE-APPROVAL POLICIES AND PROCEDURES

Our policy regarding pre-approval of all audit, audit-related and non-audit services is based upon compliance with the Sarbanes-Oxley Act of 2002, and subsequent implementing rules promulgated by the SEC.

(a) Annually management provides the Audit and Risk Committee with a list of the audit-related and non-audit services that are anticipated to be provided during the year for pre-approval. The Audit and Risk Committee reviews the services with the auditor and management and considers whether the provision of the service is compatible with maintaining the auditor's independence.
(b) Management may engage the auditor for specific engagements that are included in the list of pre-approved services referred to above if the estimated fees do not exceed $500,000 per engagement per quarter.
(c) The Audit and Risk Committee delegates authority to the Chair of the Audit and Risk Committee to approve requests for services not included in the pre-approved list of services or for services not previously pre-approved by the Audit and Risk Committee. Any services approved by the Chair will be reported to the full Audit and Risk Committee at the next meeting.
(d) A review of all audit and non-audit services and fees rendered to the Company by KPMG LLP is reviewed each quarter by the Audit and Risk Committee.

Our policy regarding pre-approval of all audit, audit-related, and non-audit services is based upon compliance with the Sarbanes-Oxley Act of 2002, and subsequent implementing rules promulgated by the SEC. None of the audit-related fees, tax fees, or all other fees described in the table below were approved by the Audit and Risk Committee pursuant to paragraph (c)(7)(i)(C) of Rule 2-01 of Regulation S-X.

ITEM 17.9 – EXTERNAL AUDITORS' FEES AND SERVICES

The following table presents fees for professional services rendered by KPMG LLP to us for the audit of our annual financial statements for 2019 and 2018, and fees billed for other services rendered by KPMG LLP.

Auditors' Fees	2019		2018	
	$	%	$	%
Audit Fees (1)	6,042,150	88.2	6,324,754	87.9
Audit-Related Fees (2)	692,753	10.1	797,575	11.1
Tax Fees (3)	114,322	1.7	71,606	1.0
Total	6,849,225	100.0	7,193,935	100.0

(1) Consists of fees related to audits of annual financial statements, involvement with registration statements and other filings with various regulatory authorities, quarterly reviews of interim financial statements, audit procedures on new accounting standards not yet effective, audits and reviews of subsidiaries for statutory or regulatory reporting, and consultations related to accounting matters impacting the consolidated financial statements.
(2) Consists primarily of pension plan audits, French translation of certain filings with regulatory authorities, other assurance engagements, due diligence services in respect of potential acquisitions and divestitures, and consultations regarding accounting standards not yet effective.
(3) Consists of fees for tax consultation and compliance services, including indirect taxes.

ITEM 18 – Additional Information

ITEM 18.1 – ADDITIONAL INFORMATION

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of our securities, and securities authorized for issuance under equity compensation plans, is contained in our management information circular for the most recent annual meeting of shareholders that involved the election of directors. Additional financial information is provided in our 2019 Annual Audited Consolidated Financial Statements and notes thereto and our 2019 MD&A.

Our Secretary can be contacted at our principal office, located at 333 Bloor Street East, 10th Floor, Toronto, Ontario, M4W 1G9 Canada (telephone: 416.935.7777). Additional information relating to RCI is also available on SEDAR at sedar.com, on EDGAR at sec.gov, or at investors.rogers.com.

Management's Responsibility for Financial Reporting
December 31, 2019

The accompanying consolidated financial statements of Rogers Communications Inc. and its subsidiaries and all the information in Management's Discussion and Analysis (MD&A) are the responsibility of management and have been approved by the Board of Directors.

Management has prepared the consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. The consolidated financial statements include certain amounts that are based on management's best estimates and judgments and, in their opinion, present fairly, in all material respects, Rogers Communications Inc.'s financial position, results of operations, and cash flows. Management has prepared the financial information presented elsewhere in MD&A and has ensured that it is consistent with the consolidated financial statements.

Management has developed and maintains a system of internal controls that further enhances the integrity of the consolidated financial statements. The system of internal controls is supported by the internal audit function and includes management communication to employees about its policies on ethical business conduct.

Management believes these internal controls provide reasonable assurance that:

- transactions are properly authorized and recorded;
- financial records are reliable and form a proper basis for the preparation of consolidated financial statements; and
- the assets of Rogers Communications Inc. and its subsidiaries are properly accounted for and safeguarded.

The Board of Directors is responsible for overseeing management's responsibility for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements. The Board of Directors carries out this responsibility through its Audit and Risk Committee.

The Audit and Risk Committee meets regularly with management, as well as the internal and external auditors, to discuss internal controls over the financial reporting process, auditing matters, and financial reporting issues; to satisfy itself that each party is properly discharging its responsibilities; and to review MD&A, the consolidated financial statements, and the external auditors' report. The Audit and Risk Committee reports its findings to the Board of Directors for its consideration when approving the consolidated financial statements for issuance to the shareholders. The Audit and Risk Committee also considers the engagement or re-appointment of the external auditors before submitting its recommendation to the Board of Directors for review and for shareholder approval.

The consolidated financial statements have been audited by KPMG LLP, the external auditors, in accordance with the standards of the Public Company Accounting Oversight Board (United States) on behalf of the shareholders. Our internal control over financial reporting as ofDecember 31, 2019 has been audited by KPMG LLP, in accordance with the standards of the Public Company Accountability Oversight Board (United States). KPMG LLP has full and free access to the Audit and Risk Committee.

March 5, 2020

"Joe Natale"
Joe Natale
President and Chief Executive Officer

"Anthony Staffieri"
Anthony Staffieri, FCPA, FCA
Chief Financial Officer

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of Rogers Communications Inc.

Opinion on the Consolidated Financial Statements
We have audited the accompanying consolidated balance sheets of Rogers Communications Inc. (the Company) as of December 31, 2019 and 2018, the related consolidated statements of income, comprehensive income, changes in shareholders' equity, and cash flows for each of the years in the two-year period ended December 31, 2019, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and its financial performance and its cash flows for each of the years in the two-year period ended December 31, 2019, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated March 5, 2020 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Change in Accounting Principle
As discussed in Note 2 to the consolidated financial statements, the Company has changed its method of accounting for leases during 2019 due to the adoption of IFRS 16, *Leases*, and included the presentation of the statement of financial position as at January 1, 2019.

Basis for Opinion
These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter
The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the Audit and Risk Committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing separate opinions on the critical audit matter or on the accounts or disclosures to which it relates.

Assessment of the recoverability of the carrying value of goodwill in the Media segment
As discussed in Note 9 to the consolidated financial statements, the Company tests goodwill for impairment on an annual basis during the fourth quarter of each fiscal year or more frequently if indicators of impairment are identified. The impairment tests involve comparing the carrying value of the relevant cash-generating unit (CGU) or group of cash-generating units (CGUs) that contain goodwill to its corresponding recoverable amount. Goodwill is monitored at an operating segment level in the Media segment. The determination that goodwill is monitored at the segment level requires the application of judgment. In addition, a number of businesses within the Company's Media segment are partially reliant on traditional advertising revenues, are subject to a highly competitive environment, and continue to have profitability challenges due to declining advertising revenue growth rates and increasing costs of producing and/or providing content. The estimate of the recoverable amount, which is determined based on the higher of fair value less costs to sell and value in use, is based on significant estimates developed by the Company relating to future cash flows, the terminal growth rate, and the discount rate applied in its valuation model. The goodwill balance in the Media segment as at December 31, 2019 was $955 million.

We identified the assessment of the recoverability of the carrying value of goodwill in the Media segment as a critical audit matter. There were judgments applied in assessing the level at which goodwill was tested and there was a high degree of subjective auditor judgment required in evaluating the key assumptions used in the valuation models, which included the CGUs' future cash flows, the discount rate, and the terminal growth rate.

The primary procedures we performed to address this critical audit matter included the following. We tested certain internal controls over the Company's impairment testing process, including controls related to the determination that goodwill should be tested at the Media segment level and the key assumptions used in estimating the recoverable amount of the Media CGUs. We compared the Company's historical cash flow forecasts to actual results achieved to assess the Company's ability to accurately forecast financial results. We compared the cash flow forecasts used to estimate the recoverable amount to approved plans. We assessed the assumptions used to determine the Media segment's future cash flows by comparing to underlying documentation and external market and industry data. We involved valuation professionals with specialized skills and knowledge, who assisted in evaluating the discount rate, by comparing the Company's inputs to the discount rate to publicly available data for comparable entities, independently developing a range of reasonable discount rates, and comparing those to the Company's rate and the terminal growth rate for the Media Group of CGUs, by comparing to underlying documentation and publicly available market data. We performed a sensitivity analysis over the key assumptions in the valuation model to assess their impact on the Company's determination of the recoverable amount.

"KPMG LLP"
Chartered Professional Accountants, Licensed Public Accountants
We have served as the Company's auditor since 1969.
Toronto, Canada
March 5, 2020

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of Rogers Communications Inc.

Opinion on Internal Control Over Financial Reporting
We have audited Rogers Communications Inc.'s internal control over financial reporting as ofDecember 31, 2019, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, Rogers Communications Inc. (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated statements of financial position of the Company as of December 31, 2019 and 2018, the related consolidated statements of income, comprehensive income, changes in shareholders' equity, and cash flows for each of the years in the two-year period ended December 31, 2019, and the related notes (collectively, the consolidated financial statements), and our report dated March 5, 2020 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion
The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included under the heading Management's Report on Internal Control over Financial Reporting contained within Management's Discussion and Analysis for the year ended December 31, 2019. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting
A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

"KPMG LLP"
Chartered Professional Accountants, Licensed Public Accountants
Toronto, Canada
March 5, 2020

Consolidated Statements of Income

(In millions of Canadian dollars, except per share amounts)

Years ended December 31	*Note*	**2019**	2018
Revenue	*5*	**15,073**	15,096
Operating expenses:			
Operating costs	*6*	**8,861**	9,113
Depreciation and amortization	*7, 8, 9*	**2,488**	2,211
Gain on disposition of property, plant and equipment	*7*	**—**	(16)
Restructuring, acquisition and other	*10*	**139**	210
Finance costs	*11*	**840**	793
Other income	*12*	**(10)**	(32)
Income before income tax expense		**2,755**	2,817
Income tax expense	*13*	**712**	758
Net income for the year		**2,043**	2,059
Earnings per share:			
Basic	*14*	**$3.99**	$4.00
Diluted	*14*	**$3.97**	$3.99

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statements of Comprehensive Income

(In millions of Canadian dollars)

Years ended December 31	*Note*	**2019**	2018
Net income for the year		**2,043**	2,059
Other comprehensive income (loss):			
Items that will not be reclassified to net income:			
Defined benefit pension plans:			
Remeasurements	*23*	**(159)**	53
Related income tax recovery (expense)		**40**	(12)
Defined benefit pension plans		**(119)**	41
Equity investments measured at fair value through other comprehensive income (FVTOCI):			
Increase (decrease) in fair value	*18*	**737**	(440)
Related income tax (expense) recovery		**(104)**	63
Equity investments measured at FVTOCI		**633**	(377)
Items that will not be reclassified to net income		**514**	(336)
Items that may subsequently be reclassified to net income:			
Cash flow hedging derivative instruments:			
Unrealized gain in fair value of derivative instruments		**66**	725
Reclassification to net income of loss (gain) on debt derivatives		**458**	(671)
Reclassification to net income or property, plant and equipment of gain on expenditure derivatives		**(61)**	(8)
Reclassification to net income for accrued interest		**(46)**	(43)
Related income tax expense		**(29)**	(65)
Cash flow hedging derivative instruments		**388**	(62)
Equity-accounted investments:			
Share of other comprehensive (loss) income of equity-accounted investments, net of tax		**(8)**	14
Equity-accounted investments		**(8)**	14
Items that may subsequently be reclassified to net income		**380**	(48)
Other comprehensive income (loss) for the year		**894**	(384)
Comprehensive income for the year		**2,937**	1,675

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statements of Financial Position

(In millions of Canadian dollars)

	Note	As at December 31 **2019**	As at January 1 2019 (see note 2)	As at December 31 2018 (see note 15)
Assets				
Current assets:				
Cash and cash equivalents		**494**	405	405
Accounts receivable	15	**2,304**	2,236	2,236
Inventories	16	**460**	466	466
Current portion of contract assets	5	**1,234**	1,052	1,052
Other current assets		**524**	436	459
Current portion of derivative instruments	17	**101**	270	270
Total current assets		**5,117**	4,865	4,888
Property, plant and equipment	7, 8	**13,934**	13,261	11,780
Intangible assets	9	**8,905**	7,205	7,205
Investments	18	**2,830**	2,134	2,134
Derivative instruments	17	**1,478**	1,339	1,339
Contract assets	5	**557**	535	535
Other long-term assets		**275**	132	132
Goodwill	9	**3,923**	3,905	3,905
Total assets		**37,019**	33,376	31,918
Liabilities and shareholders' equity				
Current liabilities:				
Short-term borrowings	19	**2,238**	2,255	2,255
Accounts payable and accrued liabilities		**3,033**	2,997	3,052
Income tax payable		**48**	177	177
Other current liabilities	20	**141**	132	132
Contract liabilities	5	**224**	233	233
Current portion of long-term debt	21	**—**	900	900
Current portion of lease liabilities	8	**230**	190	—
Current portion of derivative instruments	17	**50**	87	87
Total current liabilities		**5,964**	6,971	6,836
Provisions	20	**36**	35	35
Long-term debt	21	**15,967**	13,390	13,390
Derivative instruments	17	**90**	22	22
Lease liabilities	8	**1,495**	1,355	—
Other long-term liabilities	22	**614**	546	546
Deferred tax liabilities	13	**3,437**	2,901	2,910
Total liabilities		**27,603**	25,220	23,739
Shareholders' equity	24	**9,416**	8,156	8,179
Total liabilities and shareholders' equity		**37,019**	33,376	31,918
Guarantees	27			
Commitments and contingent liabilities	28			
Subsequent events	24			

The accompanying notes are an integral part of the consolidated financial statements.

On behalf of the Board of Directors:

"Edward S. Rogers"
Edward S. Rogers
Director

"John H. Clappison"
John H. Clappison, FCPA, FCA
Director

Consolidated Statements of Changes in Shareholders' Equity

(In millions of Canadian dollars, except number of shares)

Year ended December 31, 2019	Class A Voting Shares Amount	Class A Voting Shares Number of shares (000s)	Class B Non-Voting Shares Amount	Class B Non-Voting Shares Number of shares (000s)	Retained earnings	FVTOCI investment reserve	Hedging reserve	Equity investment reserve	Total shareholders' equity
Balances, December 31, 2018	71	111,155	406	403,657	7,182	636	(125)	9	8,179
Adjustments pertaining to IFRS 16 adoption (see note 2)	—	—	—	—	(23)	—	—	—	(23)
Balances, January 1, 2019 (restated, see note 2)	71	111,155	406	403,657	7,159	636	(125)	9	8,156
Net income for the year	—	—	—	—	2,043	—	—	—	2,043
Other comprehensive income (loss):									
Defined benefit pension plans, net of tax	—	—	—	—	(119)	—	—	—	(119)
FVTOCI investments, net of tax	—	—	—	—	—	633	—	—	633
Derivative instruments accounted for as hedges, net of tax	—	—	—	—	—	—	388	—	388
Share of equity-accounted investments, net of tax	—	—	—	—	—	—	—	(8)	(8)
Total other comprehensive income (loss)	—	—	—	—	(119)	633	388	(8)	894
Comprehensive income (loss) for the year	—	—	—	—	1,924	633	388	(8)	2,937
Reclassification to retained earnings for disposition of FVTOCI investments	—	—	—	—	4	(4)	—	—	—
Transactions with shareholders recorded directly in equity:									
Repurchase of Class B Non-Voting Shares	—	—	(9)	(9,887)	(646)	—	—	—	(655)
Dividends declared	—	—	—	—	(1,022)	—	—	—	(1,022)
Share class exchange	—	(1)	—	1	—	—	—	—	—
Total transactions with shareholders	—	(1)	(9)	(9,886)	(1,668)	—	—	—	(1,677)
Balances, December 31, 2019	**71**	**111,154**	**397**	**393,771**	**7,419**	**1,265**	**263**	**1**	**9,416**

Year ended December 31, 2018	Class A Voting Shares Amount	Class A Voting Shares Number of shares (000s)	Class B Non-Voting Shares Amount	Class B Non-Voting Shares Number of shares (000s)	Retained earnings	FVTOCI investment reserve	Hedging reserve	Equity investment reserve	Total shareholders' equity
Balances, January 1, 2018	72	112,407	405	402,403	6,070	1,013	(63)	(5)	7,492
Net income for the period	—	—	—	—	2,059	—	—	—	2,059
Other comprehensive income (loss):									
Defined benefit pension plans, net of tax	—	—	—	—	41	—	—	—	41
FVTOCI investments, net of tax	—	—	—	—	—	(377)	—	—	(377)
Derivative instruments accounted for as hedges, net of tax	—	—	—	—	—	—	(62)	—	(62)
Share of equity-accounted investments, net of tax	—	—	—	—	—	—	—	14	14
Total other comprehensive income (loss)	—	—	—	—	41	(377)	(62)	14	(384)
Comprehensive income (loss) for the year	—	—	—	—	2,100	(377)	(62)	14	1,675
Transactions with shareholders recorded directly in equity:									
Dividends declared	—	—	—	—	(988)	—	—	—	(988)
Shares issued on exercise of stock options	—	—	—	2	—	—	—	—	—
Share class exchange	(1)	(1,252)	1	1,252	—	—	—	—	—
Total transactions with shareholders	(1)	(1,252)	1	1,254	(988)	—	—	—	(988)
Balances, December 31, 2018	71	111,155	406	403,657	7,182	636	(125)	9	8,179

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statements of Cash Flows

(In millions of Canadian dollars)

Years ended December 31	Note	2019	2018
Operating activities:			
Net income for the year		**2,043**	2,059
Adjustments to reconcile net income to cash provided by operating activities:			
Depreciation and amortization	7, 8, 9	**2,488**	2,211
Program rights amortization	9	**77**	58
Finance costs	11	**840**	793
Income tax expense	13	**712**	758
Post-employment benefits contributions, net of expense	23	**(75)**	(44)
Gain on disposition of property, plant and equipment	7	**—**	(16)
Net change in contract asset balances	5	**(204)**	(354)
Net change in financing receivable balances	17	**(84)**	—
Other		**46**	33
Cash provided by operating activities before changes in non-cash working capital items, income taxes paid, and interest paid		**5,843**	5,498
Change in non-cash operating working capital items	29	**(138)**	(114)
Cash provided by operating activities before income taxes paid and interest paid		**5,705**	5,384
Income taxes paid		**(400)**	(370)
Interest paid		**(779)**	(726)
Cash provided by operating activities		**4,526**	4,288
Investing activities:			
Capital expenditures	7, 29	**(2,807)**	(2,790)
Additions to program rights	9	**(60)**	(54)
Changes in non-cash working capital related to capital expenditures and intangible assets		**(35)**	(125)
Acquisitions and other strategic transactions, net of cash acquired	9	**(1,731)**	—
Other		**21**	25
Cash used in investing activities		**(4,612)**	(2,944)
Financing activities:			
Net proceeds received on short-term borrowings	19	**30**	508
Net issuance (repayment) of long-term debt	21	**2,184**	(823)
Net (payments) proceeds on settlement of debt derivatives and forward contracts	17	**(121)**	388
Transaction costs incurred	21	**(61)**	(18)
Principal payments of lease liabilities	8	**(167)**	—
Repurchase of Class B Non-Voting Shares	24	**(655)**	—
Dividends paid	24	**(1,016)**	(988)
Other		**(19)**	—
Cash provided by (used in) financing activities		**175**	(933)
Change in cash and cash equivalents		**89**	411
Cash and cash equivalents (bank advances), beginning of year		**405**	(6)
Cash and cash equivalents, end of year		**494**	405

Cash and cash equivalents are defined as cash and short-term deposits that have an original maturity of less than 90 days, less bank advances.

The accompanying notes are an integral part of the consolidated financial statements.

Notes to Consolidated Financial Statements

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. RCI also holds interests in various investments and ventures.

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NOTE 1: NATURE OF THE BUSINESS

Rogers Communications Inc. is a diversified Canadian communications and media company. Substantially all of our operations and sales are in Canada. RCI is incorporated in Canada and its registered office is located at 333 Bloor Street East, Toronto, Ontario, M4W 1G9. RCI's shares are publicly traded on the Toronto Stock Exchange (TSX: RCI.A and RCI.B) and on the New York Stock Exchange (NYSE: RCI).

We report our results of operations inthree reportable segments. Each segment and the nature of its business is as follows:

Segment	Principal activities
Wireless	Wireless telecommunications operations for Canadian consumers and businesses.
Cable	Cable telecommunications operations, including Internet, television, telephony (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.

During the year endedDecember 31, 2019, Wireless and Cable were operated by our wholly owned subsidiary, Rogers Communications Canada Inc. (RCCI), and certain other wholly owned subsidiaries. Media was operated by our wholly owned subsidiary, Rogers Media Inc., and its subsidiaries.

See note 4 for more information about our reportable operating segments.

BUSINESS 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, other income and expenses, impairment of assets, and changes in income tax expense.

Wireless

Wireless operating results are influenced by the timing of our marketing and promotional expenditures and higher levels of subscriber additions and related subsidies, resulting in higher subscriber acquisition- and activation-related expenses, typically in the third and fourth quarters. 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. In contrast, we typically see lower subscriber-related activity in the first quarter of the year.

The launch of new products and services, including popular new wireless device models, can also affect the level of subscriber activity. Highly anticipated device launches typically occur in the fall season of each year. Wireless roaming revenue is dependent on customer travel volumes and timing, and is also impacted by foreign exchange rates and general economic conditions.

Cable

Cable's operating results are affected by modest seasonal fluctuations, typically caused by:

- university and college students who live in residences moving out early in the second quarter and canceling 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; and
- the concentrated marketing we generally conduct in our fourth quarter.

Cable results from our enterprise customers do not generally have any unique seasonal aspects.

Media

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 Major League Baseball 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; and
  - programming and production costs and player payroll are expensed based on the number of games aired or played, as applicable; and

- the National Hockey League (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.

STATEMENT OF COMPLIANCE

We prepared our consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The Board of Directors (the Board) authorized these consolidated financial statements for issue on March 5, 2020.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

(a) BASIS OF PRESENTATION

All amounts are in Canadian dollars unless otherwise noted. Our functional currency is the Canadian dollar. We prepare the consolidated financial statements on a historical cost basis, except for:

- certain financial instruments as disclosed in note 17, which are measured at fair value;
- the net deferred pension liability, which is measured as described in note 23; and
- liabilities for stock-based compensation, which are measured at fair value as disclosed in note 25.

(b) BASIS OF CONSOLIDATION

Subsidiaries are entities we control. We include the financial statements of our subsidiaries in our consolidated financial statements from the date we gain control of them until our control ceases. We eliminate all intercompany transactions and balances between our subsidiaries on consolidation.

(c) FOREIGN CURRENCY TRANSLATION

We translate amounts denominated in foreign currencies into Canadian dollars as follows:

- monetary assets and liabilities - at the exchange rate in effect as at the date of the Consolidated Statements of Financial Position;
- non-monetary assets and liabilities, and related depreciation and amortization - at the historical exchange rates; and
- revenue and expenses other than depreciation and amortization - at the average rate for the month in which the transaction was recognized.

(d) BUSINESS COMBINATIONS

We account for business combinations using the acquisition method of accounting. Only acquisitions that result in our gaining control over the acquired businesses are accounted for as business combinations. We possess control over an entity when we conclude we are exposed to variable returns from our involvement with the acquired entity and we have the ability to affect those returns through our power over the acquired entity.

We calculate the fair value of the consideration paid as the sum of the fair value at the date of acquisition of the assets we transferred and the equity interests we issued, less the liabilities we assumed to acquire the subsidiary.

We measure goodwill as the fair value of the consideration transferred less the net recognized amount of the identifiable assets acquired and liabilities assumed, which are generally measured at fair value as of the acquisition date. When the excess is negative, a gain on acquisition is recognized immediately in net income.

We expense the transaction costs associated with acquisitions as we incur them.

(e) NEW ACCOUNTING PRONOUNCEMENTS ADOPTED IN 2019

We adopted the following IFRS amendments in 2019. They did not have a material effect on our financial statements.

- Amendments to IAS 19, *Employee Benefits*, providing guidance on accounting for defined benefit plans that have been amended, curtailed, or settled during a period.
- Amendments to IAS 23, *Borrowing Costs*, clarifying the requirement that borrowings made specifically to finance construction of qualifying assets become part of a pool of general borrowings after completion.
- Amendments to IAS 28, *Investments in Associates and Joint Ventures,* clarifying the requirement in applying IFRS 9, *Financial Instruments* including its impairment requirements, to long-term interests in an associate or joint venture that, in substance, form part of the net investment in the associate or joint venture but to which the equity method is not applied.
- Amendments to IFRS 3, *Business Combinations* and IFRS 11, *Joint Arrangements,* clarifying the distinction between a business and a group of assets to aid in applying IFRS 3.

- Amendments to IFRIC 23, *Uncertainty over Income Tax Treatments,* aiming to reduce diversity in how companies recognize and measure a tax liability or tax asset when there is uncertainty over income tax treatments.

Additionally, we adopted IFRS 16, *Leases* (IFRS 16) effective January 1, 2019. The effects this new pronouncement has on our results and operations are described below.

IFRS 16, *LEASES*

Effective January 1, 2019, we adopted IFRS 16, which supersedes previous accounting standards for leases, including IAS 17*Leases* (IAS 17) and IFRIC 4, *Determining whether an arrangement contains a lease* (IFRIC 4).

IFRS 16 introduced a single accounting model for lessees. A lessee is generally required to recognize, on its statement of financial position, a right-of-use asset, representing its right to use the underlying leased asset, and a lease liability, representing its obligation to make lease payments. As a result of adopting IFRS 16, we have recognized a significant increase to both assets and liabilities on our Consolidated Statements of Financial Position, as well as a decrease to operating costs (for the removal of rent expense for leases), an increase to depreciation and amortization (due to depreciation of the right-of-use asset), and an increase to finance costs (due to accretion of the lease liability). The accounting treatment for lessors remains largely the same as under IAS 17.

We adopted IFRS 16 with the cumulative effect of initial application recognized as an adjustment to retained earnings within shareholders' equity on January 1, 2019. We have not restated comparatives for 2018. At transition, we applied the practical expedient that allows us to maintain our lease assessments made under IAS 17 and IFRIC 4 for existing contracts. Therefore, the definition of a lease under IFRS 16 was applied only to contracts entered into or changed after January 1, 2019.

For leases that were classified as operating leases under IAS 17, lease liabilities at transition have been measured at the present value of remaining lease payments, discounted at the related incremental borrowing rate as at January 1, 2019. Generally, right-of-use assets at transition have been measured at an amount equal to the corresponding lease liabilities, adjusted for any prepaid or accrued rent relating to that lease. For certain leases where we have readily available information, we have elected to measure the right-of-use assets at their carrying amounts as if IFRS 16 had been applied since the lease commencement date using the related incremental borrowing rate for the remaining lease period as at January 1, 2019.

When applying IFRS 16 to leases previously classified as operating leases, the following practical expedients were available to us. We have:

- applied a single discount rate to a portfolio of leases with similar characteristics;
- excluded initial direct costs from measuring the right-of-use asset as at January 1, 2019;
- used hindsight in determining the lease term where the contract contains purchase, extension, or termination options; and
- relied upon our assessment of whether leases were onerous under the requirements of IAS 37,*Provisions, contingent liabilities and contingent assets* as at December 31, 2018 as an alternative to reviewing our right-of-use assets for impairment.

We have elected to not separate fixed non-lease components from lease components and instead account for each lease component and associated fixed non-lease components as a single lease component. On transition, we have not elected the recognition exemptions on short-term leases or low-value leases; however, we may choose to elect the recognition exemptions on a class-by-class basis for new classes, and lease-by-lease basis, respectively, in the future.

There was no significant impact for contracts in which we are the lessor.

Reconciliation of condensed consolidated statement of financial position as at January 1, 2019
Below is the effect of transition to IFRS 16 on our condensed consolidated statement of financial position as at January 1, 2019.

(In millions of dollars)	As reported as at December 31, 2018 *(see note 15)*	Effect of IFRS 16 transition	Subsequent to transition as at January 1, 2019
Assets			
Current assets:			
Cash and cash equivalents	405	—	405
Accounts receivable	2,236	—	2,236
Inventories	466	—	466
Current portion of contract assets	1,052	—	1,052
Other current assets	459	(23)	436
Current portion of derivative instruments	270	—	270
Total current assets	4,888	(23)	4,865
Property, plant and equipment	11,780	1,481	13,261
Intangible assets	7,205	—	7,205
Investments	2,134	—	2,134
Derivative instruments	1,339	—	1,339
Contract assets	535	—	535
Other long-term assets	132	—	132
Goodwill	3,905	—	3,905
Total assets	31,918	1,458	33,376
Liabilities and shareholders' equity			
Current liabilities:			
Short-term borrowings	2,255	—	2,255
Accounts payable and accrued liabilities	3,052	(55)	2,997
Income tax payable	177	—	177
Other current liabilities	132	—	132
Contract liabilities	233	—	233
Current portion of long-term debt	900	—	900
Current portion of derivative instruments	87	—	87
Current portion of lease liabilities	—	190	190
Total current liabilities	6,836	135	6,971
Provisions	35	—	35
Long-term debt	13,390	—	13,390
Derivative instruments	22	—	22
Lease liabilities	—	1,355	1,355
Other long-term liabilities	546	—	546
Deferred tax liabilities	2,910	(9)	2,901
Total liabilities	23,739	1,481	25,220
Shareholders' equity	8,179	(23)	8,156
Total liabilities and shareholders' equity	31,918	1,458	33,376

Prior to adopting IFRS 16, our total minimum operating lease commitments as at December 31, 2018 were $979 million. The weighted average discount rate applied to the total lease payments on transition was 3.82%. The difference between the total of the minimum lease payments set out in Note 27 to our 2018 Annual Financial Statements and the total lease liabilities recognized on transition was a result of:

- the inclusion of lease payments beyond minimum commitments relating to reasonably certain renewal periods or extension options that had not yet been exercised as at December 31, 2018; partially offset by
- the effect of discounting on the minimum lease payments; and

- certain costs to which we are contractually committed under lease contracts but which do not qualify to be accounted for as a lease liability, such as variable lease payments not tied to an index or rate.

See note 8 for the accounting policies, including estimates and judgments, we use to account for leases.

(f) RECENT ACCOUNTING PRONOUNCEMENTS NOT YET ADOPTED IN 2019

The IASB has issued the following new standards that will become effective in a future year and could have an impact on our consolidated financial statements in future periods:

- Changes to the *Conceptual Framework*, seeking to provide improvements to concepts surrounding various financial reporting considerations and existing IFRS standards.
- Amendments to IAS 1, *Presentation of Financial Statements* and IAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*, clarifying the definition of "material".
- 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 IFRS 9, IAS 39, and IFRS 7, *Interest Rate Benchmark Reform*, seeking to reduce uncertainty and diminishing long-term viability of certain interest rate benchmarks used in global financial markets, such as interbank offer rates (IBORs).

We do not expect IFRS 17, *Insurance Contracts*, will have an effect on our consolidated financial statements. We are assessing the impacts, if any, the remaining new standards or amendments will have on our consolidated financial statements.

(g) ADDITIONAL SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES, AND JUDGMENTS

When preparing our consolidated financial statements, management makes judgments, estimates, and assumptions that affect how accounting policies are applied and the amounts we report as assets, liabilities, revenue, and expenses. Our significant accounting policies, estimates, and judgments are identified in this note or disclosed throughout the notes as identified in the table below, including:

- information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the amounts recognized in the consolidated financial statements;
- information about judgments made in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements; and
- information on our significant accounting policies.

Note	Topic	Page	Accounting Policy	Use of Estimates	Use of Judgments
4	Reportable Segments	16	X		X
5	Revenue Recognition	17	X	X	X
7	Property, Plant and Equipment	21	X	X	X
8	Leases	23	X	X	X
9	Intangible Assets and Goodwill	26	X	X	X
13	Income Taxes	30	X		X
14	Earnings Per Share	32	X		
15	Accounts Receivable	32	X		
16	Inventories	33	X		
17	Financial Instruments	33	X	X	X
18	Investments	44	X		
20	Provisions	47	X	X	X
23	Post-Employment Benefits	52	X	X	
25	Stock-Based Compensation	58	X	X	
28	Commitments and Contingent Liabilities	63	X		X

NOTE 3: CAPITAL RISK MANAGEMENT

Our objectives in managing capital are to ensure we have sufficient liquidity to meet all of our commitments and to execute our business plan. We define capital that we manage as shareholders' equity and indebtedness (including the current portion of our long-term debt, long-term debt, short-term borrowings, the current portion of our lease liabilities, and lease liabilities).

We manage our capital structure, commitments, and maturities and make adjustments based on general economic conditions, financial markets, operating risks, our investment priorities, and working capital requirements. To maintain or adjust our capital structure, we may, with approval from the Board, issue or repay debt and/or short-term borrowings, issue or repurchase shares, pay dividends, or undertake other activities as deemed appropriate under the circumstances. The Board reviews and approves the annual capital and operating budgets, as well as any material transactions that are not part of the ordinary course of business, including proposals for acquisitions or other major financing transactions, investments, or divestitures.

We monitor debt leverage ratios as part of the management of liquidity and shareholders' return to sustain future development of the business, conduct valuation-related analyses, and make decisions about capital.

The wholly owned subsidiary through which our Rogers World Elite Mastercard, Rogers Platinum Mastercard, and Fido Mastercard programs are operated is regulated by the Office of the Superintendent of Financial Institutions, which requires that a minimum level of regulatory capital be maintained. Rogers' subsidiary was in compliance with that requirement as at December 31, 2019 and 2018. The capital requirements are not material to the Company as at December 31, 2019 or December 31, 2018.

With the exception of the Rogers World Elite Mastercard, Rogers Platinum Mastercard, and Fido Mastercard programs and the subsidiary through which they are operated, we are not subject to externally imposed capital requirements. Our overall strategy for capital risk management has not changed since December 31, 2018.

NOTE 4: SEGMENTED INFORMATION

ACCOUNTING POLICY

Reportable segments

We determine our reportable segments based on, among other things, how our chief operating decision maker, the Chief Executive Officer and Chief Financial Officer of RCI, regularly review our operations and performance. They review adjusted EBITDA as the key measure of profit for the purpose of assessing performance of each segment and to make decisions about the allocation of resources, as they believe adjusted EBITDA reflects segment and consolidated profitability. Adjusted EBITDA is defined as income before depreciation and amortization; (gain) loss on disposition of property, plant and equipment; restructuring, acquisition and other; finance costs; other expense (income); and income tax expense.

We follow the same accounting policies for our segments as those described in the notes to our consolidated financial statements. We account for transactions between reportable segments in the same way we account for transactions with external parties, but eliminate them on consolidation.

USE OF ESTIMATES AND JUDGMENTS

JUDGMENTS

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 assess component performance, and for which discrete financial information is available.

EXPLANATORY INFORMATION

Our reportable segments are Wireless, Cable, and Media (seenote 1). All three segments operate substantially in Canada. Corporate items and eliminations include our interests in businesses that are not reportable operating segments, corporate administrative functions, and eliminations of inter-segment revenue and costs. Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

INFORMATION BY SEGMENT

Year ended December 31, 2019 (In millions of dollars)	*Note*	Wireless	Cable	Media	Corporate items and eliminations	Consolidated totals
Revenue	*5*	9,250	3,954	2,072	(203)	15,073
Operating costs	*6*	4,905	2,035	1,932	(11)	8,861
Adjusted EBITDA		4,345	1,919	140	(192)	6,212
Depreciation and amortization	*7, 8, 9*					2,488
Restructuring, acquisition and other	*10*					139
Finance costs	*11*					840
Other income	*12*					(10)
Income before income tax expense						2,755
Capital expenditures [1]	*7, 29*	1,320	1,153	102	232	2,807
Goodwill	*9*	1,160	1,808	955	—	3,923
Total assets		20,105	7,891	2,550	6,473	37,019

[1] Includes proceeds on disposition of $38 million (see note 29).

Year ended December 31, 2018 (In millions of dollars)	*Note*	Wireless	Cable	Media	Corporate items and eliminations	Consolidated totals
Revenue	*5*	9,200	3,932	2,168	(204)	15,096
Operating costs	*6*	5,110	2,058	1,972	(27)	9,113
Adjusted EBITDA		4,090	1,874	196	(177)	5,983
Depreciation and amortization	*7, 8, 9*					2,211
Gain on disposition of property, plant and equipment	*7*					(16)
Restructuring, acquisition and other	*10*					210
Finance costs	*11*					793
Other income	*12*					(32)
Income before income tax expense						2,817
Capital expenditures [1]	*7, 29*	1,086	1,429	90	185	2,790
Goodwill	*9*	1,160	1,808	937	—	3,905
Total assets		16,572	7,666	2,438	5,242	31,918

[1] Includes proceeds on disposition of $25 million (see note 29).

NOTE 5: REVENUE

ACCOUNTING POLICY

Contracts with customers

We record revenue from contracts with customers in accordance with the five steps in IFRS 15, *Revenue from contracts with customers* as follows:

1. identify the contract with a customer;
2. identify the performance obligations in the contract;
3. determine the transaction price, which is the total consideration provided by the customer;
4. allocate the transaction price among the performance obligations in the contract based on their relative fair values; and
5. recognize revenue when the relevant criteria are met for each performance obligation.

Many of our products and services are sold in bundled arrangements (e.g. wireless devices and voice and data services). Items in these arrangements are accounted for as separate performance obligations if the item meets the definition of a distinct good or service. We also determine whether a customer can modify their contract within predefined terms such that we are not able to enforce the transaction price agreed to, but can only contractually enforce a lower amount. In situations such as these, we allocate revenue between performance obligations using the minimum enforceable rights and obligations and any excess amount is recognized as revenue as it is earned.

Revenue for each performance obligation is recognized either over time (e.g. services) or at a point in time (e.g. equipment). For performance obligations satisfied over time, revenue is recognized as the services are provided. These services are typically provided, and thus revenue is typically recognized, on a monthly basis. Revenue for performance obligations satisfied at a point in time is recognized when control of the item (or service) transfers to the customer. Typically, this is when the customer activates the goods (e.g. in the case of a wireless device) or has physical possession of the goods (e.g. other equipment).

The table below summarizes the nature of the various performance obligations in our contracts with customers and when we recognize performance on those obligations.

Performance obligations from contracts with customers	Timing of satisfaction of the performance obligation
Wireless airtime, data, and other services; television, telephony, Internet, and smart home monitoring services; network services; media subscriptions; and rental of equipment	As the service is provided (usually monthly)
Roaming, long-distance, and other optional or non-subscription services, and pay-per-use services	As the service is provided
Wireless devices and related equipment	Upon activation or purchase by the end customer
Installation services for Cable subscribers	When the services are performed
Advertising	When the advertising airs on our radio or television stations or is displayed on our digital properties
Subscriptions by television stations for subscriptions from cable and satellite providers	When the services are delivered to cable and satellite providers' subscribers (usually monthly)
Toronto Blue Jays' home game admission and concessions	When the related games are played during the baseball season and when goods are sold
Toronto Blue Jays revenue from the Major League Baseball Revenue Sharing Agreement, which redistributes funds between member clubs based on each club's relative revenue	When the amount is determinable
Radio and television broadcast agreements	When the related programs are aired
Sublicensing of program rights	Over the course of the applicable licence period

We also recognize interest revenue on credit card receivables using the effective interest method in accordance with IFRS 9.

Payment for Wireless and Cable monthly service fees is typically due30 days after billing. Payment for Wireless and Cable equipment is typically due either upon receipt of the equipment or over the subsequent 24 months (when equipment is financed through our equipment financing plans). Payment terms for typical Media performance obligations range from immediate (e.g. Toronto Blue Jays tickets) to 30 days (e.g. advertising contracts).

Contract assets and liabilities
We record a contract asset when we have provided goods and services to our customer but our right to related consideration for the performance obligation is conditional on satisfying other performance obligations. Contract assets primarily relate to our rights to consideration for the transfer of wireless devices.

We record a contract liability when we receive payment from a customer in advance of providing goods and services. This includes subscriber deposits, deposits related to Toronto Blue Jays ticket sales, and amounts subscribers pay for services and subscriptions that will be provided in future periods.

We account for contract assets and liabilities on a contract-by-contract basis, with each contract presented as either a net contract asset or a net contract liability accordingly.

Deferred commission cost assets
We defer, to the extent recoverable, the incremental costs we incur to obtain or fulfill a contract with a customer and amortize them over their expected period of benefit. These costs include certain commissions paid to internal and external representatives that we believe to be recoverable through the revenue earned from the related contracts. We therefore defer them as deferred commission cost assets in other assets and amortize them to operating costs over the pattern of the transfer of goods and services to the customer, which is typically evenly over either 12 or 24 consecutive months.

USE OF ESTIMATES AND JUDGMENTS

ESTIMATES

We use estimates in the following key areas:

- determining the transaction price of our contracts requires estimating the amount of revenue we expect to be entitled to for delivering the performance obligations within a contract; and
- determining the stand-alone selling price of performance obligations and the allocation of the transaction price between performance obligations.

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 Rogers is entitled. Any amounts above the minimum enforceable amounts are recognized as revenue as they are earned.

JUDGMENTS
We make significant judgments in determining whether a promise to deliver goods or services is considered distinct, in determining the costs that are incremental to obtaining of fulfilling a contract with a customer, and in determining whether our residual value arrangements constitute revenue-generating arrangements or leases.

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 items we do not sell separately (e.g. third-party gift cards), we estimate stand-alone selling prices using the adjusted market assessment approach.

Determining costs to obtain or fulfill a contract
Determining the costs we incur to obtain or fulfill a contract that meet the deferral criteria within IFRS 15 requires us to make significant judgments. We expect incremental commission fees paid to internal and external representatives as a result of obtaining contracts with customers to be recoverable.

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.

EXPLANATORY INFORMATION

CONTRACT ASSETS
Below is a summary of the current and long-term portions of contract assets from contracts with customers and the significant changes in those balances during the years ended December 31, 2019 and 2018.

	Years ended December 31	
(In millions of dollars)	**2019**	2018
Balance, beginning of year	**1,587**	1,233
Additions from new contracts with customers, net of terminations and renewals	**1,653**	1,572
Amortization of contract assets to accounts receivable	**(1,449)**	(1,218)
Balance, end of year	**1,791**	1,587

CONTRACT LIABILITIES
Below is a summary of the current portion of contract liabilities from contracts with customers and the significant changes in those balances during the years ended December 31, 2019 and 2018.

	Years ended December 31	
(In millions of dollars)	**2019**	2018
Balance, beginning of year	**233**	278
Revenue deferred in previous year and recognized as revenue in current year	**(222)**	(268)
Net additions from contracts with customers	**213**	223
Balance, end of year	**224**	233

DEFERRED COMMISSION COST ASSETS

Below is a summary of the changes in the deferred commission cost assets recognized from the incremental costs incurred to obtain contracts with customers during the years ended December 31, 2019 and 2018. The deferred commission cost assets are presented within other current assets (when they will be amortized into net income within twelve months of the date of the financial statements) or other long-term assets.

	Years ended December 31	
(In millions of dollars)	**2019**	2018
Balance, beginning of year	**296**	278
Additions to deferred commission cost assets	**329**	340
Amortization recognized on deferred commission cost assets	**(320)**	(322)
Balance, end of year	**305**	296

UNSATISFIED PORTIONS OF PERFORMANCE OBLIGATIONS

The table below shows the revenue we expect to recognize in the future related to unsatisfied or partially satisfied performance obligations as at December 31, 2019. The unsatisfied portion of the transaction price of the performance obligations relates to monthly services; we expect to recognize it over the next three to five years.

(In millions of dollars)	**2020**	**2021**	**2022**	**Thereafter**	**Total**
Telecommunications service	2,350	983	186	177	3,696

We have elected to utilize the following practical expedients and not disclose:

- the unsatisfied portions of performance obligations related to contracts with a duration of one year or less; or
- the unsatisfied portions of performance obligations where the revenue we recognize corresponds with the amount invoiced to the customer.

DISAGGREGATION OF REVENUE

	Years ended December 31	
(In millions of dollars)	**2019**	2018
Wireless		
Service revenue	**7,156**	7,091
Equipment revenue	**2,094**	2,109
Total Wireless	**9,250**	9,200
Cable		
Internet	**2,259**	2,114
Television	**1,430**	1,442
Phone	**251**	363
Service revenue	**3,940**	3,919
Equipment revenue	**14**	13
Total Cable	**3,954**	3,932
Total Media	**2,072**	2,168
Corporate items and intercompany eliminations	**(203)**	(204)
Total revenue	**15,073**	15,096

NOTE 6: OPERATING COSTS

(In millions of dollars)	Years ended December 31 2019	2018
Cost of equipment sales	**2,254**	2,284
Merchandise for resale	**242**	231
Other external purchases	**4,360**	4,509
Employee salaries, benefits, and stock-based compensation	**2,005**	2,089
Total operating costs	**8,861**	9,113

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

ACCOUNTING POLICY

The following accounting policy applies to property, plant and equipment excluding right-of-use assets recognized under IFRS 16. Our accounting policies for right-of-use assets are included in note 8.

Recognition and measurement, including depreciation
We measure property, plant and equipment upon initial recognition at cost and begin recognizing depreciation when the asset is ready for its intended use. Subsequently, property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditures (capital expenditures) that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes:

- the cost of materials and direct labour;
- costs directly associated with bringing the assets to a working condition for their intended use;
- expected costs of decommissioning the items and restoring the sites on which they are located (seenote 20); and
- borrowing costs on qualifying assets.

We depreciate property, plant and equipment over its estimated useful life by charging depreciation expense to net income as follows:

Asset	Basis	Estimated useful life
Buildings	Diminishing balance	5 to 40 years
Cable and wireless network	Straight-line	3 to 40 years
Computer equipment and software	Straight-line	4 to 10 years
Customer premise equipment	Straight-line	3 to 6 years
Leasehold improvements	Straight-line	Over shorter of estimated useful life or lease term
Equipment and vehicles	Diminishing balance	3 to 20 years

We calculate gains and losses on the disposal of property, plant and equipment by comparing the proceeds from the disposal with the item's carrying amount and recognize the gain or loss in net income.

We capitalize development expenditures if they meet the criteria for recognition as an asset and amortize them over their expected useful lives once the assets to which they relate are available for use. We expense research expenditures, maintenance costs, and training costs as incurred.

Impairment testing, including recognition and measurement of an impairment charge
See "Impairment Testing" in note 9 for our policies relating to impairment testing and the related recognition and measurement of impairment charges. The impairment policies for property, plant and equipment are similar to the impairment policies for intangible assets with finite useful lives.

USE OF ESTIMATES AND JUDGMENTS

ESTIMATES
Components of an item of property, plant and equipment may have different useful lives. We make significant estimates when determining depreciation rates and asset useful lives, which require taking into account company-specific factors, such as our past experience and expected use, and industry trends, such as technological advancements. We monitor and review residual values, 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.

We use estimates to determine certain costs that are directly attributable to self-constructed assets. These estimates primarily include certain internal and external direct labour, overhead, and interest costs associated with the acquisition, construction, development, or betterment of our networks.

Furthermore, we use estimates in determining the recoverable amount of property, plant and equipment. The determination of the recoverable amount for the purpose of impairment testing requires the use of significant estimates, such as:

- future cash flows;
- terminal growth rates; and
- discount rates.

We estimate value in use for impairment tests by discounting estimated future cash flows to their present value. We estimate the discounted future cash flows for periods of up to five years, depending on the cash-generating unit (CGU), and a terminal value. The future cash flows are based on our estimates and expected future operating results of the CGU after considering economic conditions and a general outlook for the CGU's industry. Our discount rates consider market rates of return, debt to equity ratios, and certain risk premiums, among other things. The terminal value is the value attributed to the CGU's operations beyond the projected time period of the cash flows using a perpetuity rate based on expected economic conditions and a general outlook for the industry.

We determine fair value less costs to sell in one of the following two ways:

- Analyzing discounted cash flows - we estimate the discounted future cash flows for five-year periods and a terminal value, similar to the value in use methodology described above, while applying assumptions consistent with those a market participant would make. Future cash flows are based on our estimates of expected future operating results of the CGU. Our estimates of future cash flows, terminal values, and discount rates consider similar factors to those described above for value in use estimates; or
- Using a market approach - we estimate the recoverable amount of the CGU using multiples of operating performance of comparable entities and precedent transactions in that industry.

We make certain assumptions when deriving expected future cash flows, which may include assumptions pertaining to discount and terminal growth rates. These assumptions may differ or change quickly depending on economic conditions or other events. It is therefore possible that future changes in assumptions may negatively affect future valuations of CGUs and goodwill, which could result in impairment losses.

JUDGMENTS

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.

EXPLANATORY INFORMATION

The table below summarizes our property, plant and equipment as at December 31, 2019, 2018, and 2017.

(In millions of dollars)	December 31, 2019			December 31, 2018			December 31, 2017		
	Cost	Accumulated depreciation	**Net carrying amount**	Cost	Accumulated depreciation	Net carrying amount	Cost	Accumulated depreciation	Net carrying amount
Land and buildings	1,182	(461)	**721**	1,125	(428)	697	1,090	(397)	693
Cable and wireless networks	21,778	(13,814)	**7,964**	21,024	(13,550)	7,474	20,252	(13,206)	7,046
Computer equipment and software	5,903	(3,749)	**2,154**	5,514	(3,305)	2,209	4,996	(2,807)	2,189
Customer premise equipment	1,963	(1,387)	**576**	1,908	(1,279)	629	1,565	(1,090)	475
Leasehold improvements	596	(281)	**315**	539	(250)	289	496	(220)	276
Equipment and vehicles	1,244	(776)	**468**	1,292	(810)	482	1,246	(782)	464
Property, plant and equipment	32,666	(20,468)	**12,198**	31,402	(19,622)	11,780	29,645	(18,502)	11,143
Right-of-use assets	1,911	(175)	**1,736**	—	—	—	—	—	—
Total	34,577	(20,643)	**13,934**	31,402	(19,622)	11,780	29,645	(18,502)	11,143

The tables below summarize the changes in the net carrying amounts of property, plant and equipment during 2019 and 2018.

(In millions of dollars)	December 31, 2018					December 31, 2019
	Net carrying amount	Effect of IFRS 16 transition	Additions [1]	Depreciation	Disposals and other [2]	**Net carrying amount**
Land and buildings	697	—	57	(34)	1	**721**
Cable and wireless networks	7,474	(95)	1,739	(1,157)	3	**7,964**
Computer equipment and software	2,209	—	644	(706)	7	**2,154**
Customer premise equipment	629	—	236	(292)	3	**576**
Leasehold improvements	289	—	60	(33)	(1)	**315**
Equipment and vehicles	482	—	109	(75)	(48)	**468**
Property, plant and equipment	11,780	(95)	2,845	(2,297)	(35)	**12,198**
Right-of-use assets (note 8)	—	1,576	335	(175)	—	**1,736**
Total property, plant and equipment	11,780	1,481	3,180	(2,472)	(35)	**13,934**

1 Excludes proceeds on disposition of $38 million (see note 29).
2 Includes disposals, reclassifications, and other adjustments.

(In millions of dollars)	December 31, 2017				December 31, 2018
	Net carrying amount	Additions [1]	Depreciation	Disposals and other [2]	Net carrying amount
Land and buildings	693	40	(32)	(4)	697
Cable and wireless networks	7,046	1,556	(1,128)	—	7,474
Computer equipment and software	2,189	653	(633)	—	2,209
Customer premise equipment	475	423	(269)	—	629
Leasehold improvements	276	44	(31)	—	289
Equipment and vehicles	464	99	(81)	—	482
Total property, plant and equipment	11,143	2,815	(2,174)	(4)	11,780

1 Excludes proceeds on disposition of $25 million (see note 29).
2 Includes disposals, reclassifications, and other adjustments.

Property, plant and equipment not yet in service and therefore not subject to depreciation as at December 31, 2019 was $1,320 million (2018 - $1,339 million). During 2019, capitalized interest pertaining to property, plant and equipment was recognized at a weighted average rate of approximately 3.9% (2018 - 3.9%).

In 2019, we disposed of certain assets with a net carrying amount of $38 million (2018 - $9 million). We received total proceeds of $38 million (2018 - $25 million) for these assets, thereby recognizing a nil (2018 - $16 million) gain on disposition.

Annually, we perform an analysis to identify fully depreciated assets that have been disposed of. In 2019, this resulted in an adjustment to cost and accumulated depreciation of $1,159 million (2018 - $943 million). The disposals had nil impact on the Consolidated Statements of Income.

NOTE 8: LEASES

ACCOUNTING POLICY

At inception of a contract, we assess whether that contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, we assess whether:

- the contract involves the use of an identified asset;
- we have the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use; and
- we have the right to direct the use of the asset.

LESSEE ACCOUNTING

We record a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, consisting of:

- the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date; plus
- any initial direct costs incurred; and

- an estimate of costs to dismantle and remove the underlying asset or restore the site on which it is located; less
- any lease incentives received.

The right-of-use asset is depreciated on a straight-line basis over the lease term, unless we expect to obtain ownership of the leased asset at the end of the lease. The lease term consists of:
- the non-cancellable period of the lease;
- periods covered by options to extend the lease, where we are reasonably certain to exercise the option; and
- periods covered by options to terminate the lease, where we are reasonably certain not to exercise the option.

If we expect to obtain ownership of the leased asset at the end of the lease, we depreciate the right-of-use asset over the underlying asset's estimated useful life. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, our incremental borrowing rate. We generally use our incremental borrowing rate as the interest rate implicit in our leases cannot be readily determined. The lease liability is subsequently measured at amortized cost using the effective interest rate method.

Lease payments included in the measurement of the lease liability include:
- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or rate;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that we are reasonably certain to exercise, lease payments in an optional renewal period if we are reasonably certain to exercise an extension option, and penalties for early termination of a lease unless we are reasonably certain not to terminate early.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in our estimate of the amount expected to be payable under a residual value guarantee, or if we change our assessment of whether or not we will exercise a purchase, extension, or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset. The lease liability is also remeasured when the underlying lease contract is amended.

We have elected not to separate fixed non-lease components and account for the lease and any fixed non-lease components as a single lease component.

Variable lease payments
Certain leases contain provisions that result in differing lease payments over the term as a result of market rate reviews or changes in the Consumer Price Index (CPI) or other similar indices. We reassess the lease liabilities related to these leases when the index or other data is available to calculate the change in lease payments.

Certain leases require us to make payments that relate to property taxes, insurance, and other non-rental costs. These non-rental costs are typically variable and are not included in the calculation of the right-of-use asset or lease liability.

LESSOR ACCOUNTING
When we act as a lessor, we determine at lease inception whether each lease is a finance lease or an operating lease.

In order to classify each lease as either finance or operating, we make an overall assessment of whether the lease transfers to the lessee substantially all of the risks and rewards incidental to ownership of the underlying asset. If it does, the lease is a finance lease; if not, it is an operating lease.

We act as the lessor on certain collocation leases, whereby, due to certain regulatory requirements, we must allow other telecommunication companies to lease space on our wireless network towers. We do not believe we transfer substantially all of the risks and rewards incidental to ownership of the underlying leased asset to the lessee and therefore classify these leases as operating leases.

If an arrangement contains both lease and non-lease components, we apply IFRS 15,*Revenue from contracts with customers* to allocate the consideration in the contract between the lease and the non-lease components.

We recognize lease payments received under operating leases into income on a straight-line basis. All of the leases for which we act as lessor are classified as operating leases.

USE OF ESTIMATES AND JUDGMENTS

ESTIMATES

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.

JUDGMENTS

We make judgments in determining whether a contract is or contains a lease, which involves assessing whether a contract contains an identified asset (either a physically distinct asset or a capacity portion that represents substantially all of the capacity of the asset). Additionally, the contract 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 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 the funds necessary to obtain a similar asset at a similar term, with a similar security, in a similar economic environment.

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 are typically reasonably certain of exercising extension options on our leases, especially related to our networks, primarily due to the significant cost that would be required to relocate our network towers and related equipment. We reassess whether we are reasonably certain to exercise the options if there is a significant event or significant change in circumstance within our control and account for any changes at the date of the reassessment.

EXPLANATORY INFORMATION

We primarily lease land and buildings relating to our wireless and cable networks, our retail store presence, and certain of our offices and other corporate buildings, as well as customer premise equipment. The non-cancellable contract periods for our leases typically range from five to fifteen years.

Operating leases and other rental contracts are for network sites, office premises, and retail outlets across the country. Variable lease payments during 2019 were $22 million. Total rent expense in 2018 was $228 million.

LEASE LIABILITIES

Below is a summary of the activity related to our lease liabilities for the twelve months ended December 31, 2019. Certain of our lease liabilities are secured by the underlying right-of-use assets; the underlying right-of-use assets have a net carrying amount of $114 million.

(In millions of dollars)	December 31, 2019
Lease liabilities, beginning of year	**1,545**
Net additions	**335**
Interest expense on lease liabilities	**61**
Interest payments on lease liabilities	**(49)**
Principal payments of lease liabilities	**(167)**
Lease liabilities, end of year	**1,725**
Current liability	**230**
Long-term liability	**1,495**
Lease liabilities	**1,725**

ACCOUNTING POLICY PRIOR TO JANUARY 1, 2019

Prior to the adoption of IFRS 16, leases of property, plant and equipment were recognized as finance leases if we obtained substantially all the risks and rewards of ownership of the underlying assets. All other leases were classified as operating leases for which we recognized an operating lease expense in operating costs on the Consolidated Statements of Income on a straight-line basis over the term of the lease.

NOTE 9: INTANGIBLE ASSETS AND GOODWILL

ACCOUNTING POLICY

RECOGNITION AND MEASUREMENT, INCLUDING AMORTIZATION

Upon initial recognition, we measure intangible assets at cost unless they are acquired through a business combination, in which case they are measured at fair value. We begin recognizing amortization on intangible assets with finite useful lives when the asset is ready for its intended use. Subsequently, the asset is carried at cost less accumulated amortization and accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of a separately acquired intangible asset comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and
- any directly attributable cost of preparing the asset for its intended use.

Indefinite useful lives

We do not amortize intangible assets with indefinite lives, including spectrum licences, broadcast licences, and certain brand names.

Finite useful lives

We amortize intangible assets with finite useful lives, other than acquired program rights, into depreciation and amortization on the Consolidated Statements of Income on a straight-line basis over their estimated useful lives as noted in the table below. We monitor and review the useful lives, residual values, and amortization methods at least once per year and change them if they are different from our previous estimates. We recognize the effects of changes in estimates in net income prospectively.

Intangible asset	Estimated useful life
Customer relationships	3 to 10 years

Acquired program rights

Program rights are contractual rights we acquire from third parties to broadcast programs, including rights to broadcast live sporting events. We recognize them at cost less accumulated amortization and accumulated impairment losses. We capitalize program rights on the Consolidated Statements of Financial Position when the licence period begins and the program is available for use and amortize them to other external purchases in operating costs on the Consolidated Statements of Income over the expected exhibition period. If we have no intention to air programs, we consider the related program rights impaired and write them off. Otherwise, we test them for impairment as intangible assets with finite useful lives.

The costs for multi-year sports and television broadcast rights agreements are recognized in operating expenses during the applicable seasons based on the pattern in which the rights are aired or are expected to be consumed. To the extent that prepayments are made at the commencement of a multi-year contract towards future years' rights fees, these prepayments are recognized as intangible assets and amortized to operating expenses over the contract term. To the extent that prepayments are made for annual contractual fees within a season, they are included in other current assets on our Consolidated Statements of Financial Position, as the rights will be consumed within the next twelve months.

Goodwill

We recognize goodwill arising from business combinations when the fair value of the separately identifiable assets we acquired and liabilities we assumed is lower than the consideration we paid (including the recognized amount of the non-controlling interest, if any). If the fair value of the consideration transferred is lower than that of the separately identified assets and liabilities, we immediately recognize the difference as a gain in net income.

IMPAIRMENT TESTING

We test intangible assets with finite useful lives for impairment whenever an event or change in circumstances indicates that their carrying amounts may not be recoverable. We test indefinite-life intangible assets and goodwill for impairment once per year as at October 1, or more frequently if we identify indicators of impairment.

If we cannot estimate the recoverable amount of an individual intangible asset because it does not generate independent cash inflows, we test the entire CGU to which it belongs for impairment.

Goodwill is allocated to CGUs (or groups of CGUs) based on the level at which management monitors goodwill, which cannot be higher than an operating segment. The allocation of goodwill is made to CGUs (or groups of CGUs) that are expected to benefit from the synergies of the business combination from which the goodwill arose.

Recognition and measurement of an impairment charge
An intangible asset or goodwill is impaired if the recoverable amount is less than the carrying amount. The recoverable amount of a CGU or asset is the higher of its:

- fair value less costs to sell; and
- value in use.

If our estimate of the asset's or CGU's recoverable amount is less than its carrying amount, we reduce its carrying amount to the recoverable amount and recognize the loss in net income immediately.

We reverse a previously recognized impairment loss, except in respect of goodwill, if our estimate of the recoverable amount of a previously impaired asset or CGU has increased such that the impairment recognized in a previous year has reversed. The reversal is recognized by increasing the asset's or CGU's carrying amount to our new estimate of its recoverable amount. The carrying amount of the asset or CGU subsequent to the reversal cannot be greater than its carrying amount had we not recognized an impairment loss in previous years.

USE OF ESTIMATES AND JUDGMENTS

ESTIMATES

We use estimates in determining the recoverable amount of intangible assets and goodwill. The determination of the recoverable amount for the purpose of impairment testing requires the use of significant estimates, such as:

- future cash flows;
- terminal growth rates; and
- discount rates.

We estimate value in use for impairment tests by discounting estimated future cash flows to their present value. We estimate the discounted future cash flows for periods of up to five years, depending on the CGU, and a terminal value. The future cash flows are based on our estimates and expected future operating results of the CGU after considering economic conditions and a general outlook for the CGU's industry. Our discount rates consider market rates of return, debt to equity ratios, and certain risk premiums, among other things. The terminal value is the value attributed to the CGU's operations beyond the projected time period of the cash flows using a perpetuity rate based on expected economic conditions and a general outlook for the industry.

We determine fair value less costs to sell in one of the following two ways:

- Analyzing discounted cash flows - we estimate the discounted future cash flows for five-year periods and a terminal value, similar to the value in use methodology described above, while applying assumptions consistent with those a market participant would make. Future cash flows are based on our estimates of expected future operating results of the CGU. Our estimates of future cash flows, terminal values, and discount rates consider similar factors to those described above for value in use estimates; or
- Using a market approach - we estimate the recoverable amount of the CGU using multiples of operating performance of comparable entities and precedent transactions in that industry.

We make certain assumptions when deriving expected future cash flows, which may include assumptions pertaining to discount and terminal growth rates. These assumptions may differ or change quickly depending on economic conditions or other events. It is therefore possible that future changes in assumptions may negatively affect future valuations of CGUs and goodwill, which could result in impairment losses.

JUDGMENTS

We make significant judgments that affect the measurement of our intangible assets and goodwill.

Judgment is applied when deciding to designate our spectrum and broadcast licences as assets with indefinite useful lives since we believe the licences are likely to be renewed for the foreseeable future such that there is no limit to the period over which these assets are expected to generate net cash inflows. 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 and broadcast licences.

Judgment is also applied in choosing methods of 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.

Finally, we make judgments in determining CGUs and the allocation of goodwill to CGUs or groups of CGUs for the purpose of impairment testing.

EXPLANATORY INFORMATION

The table below summarizes our intangible assets as at December 31, 2019, 2018, and 2017.

(In millions of dollars)	December 31, 2019				December 31, 2018				December 31, 2017			
	Cost prior to impairment losses	Accumulated amortization	Accumulated impairment losses	**Net carrying amount**	Cost prior to impairment losses	Accumulated amortization	Accumulated impairment losses	Net carrying amount	Cost prior to impairment losses	Accumulated amortization	Accumulated impairment losses	Net carrying amount
Indefinite-life intangible assets:												
Spectrum licences	8,331	—	—	**8,331**	6,600	—	—	6,600	6,600	—	—	6,600
Broadcast licences	333	—	(99)	**234**	333	—	(99)	234	329	—	(99)	230
Brand names	420	(270)	(14)	**136**	420	(270)	(14)	136	420	(270)	(14)	136
Finite-life intangible assets:												
Customer relationships	1,611	(1,578)	—	**33**	1,609	(1,562)	—	47	1,609	(1,525)	—	84
Acquired program rights	253	(77)	(5)	**171**	251	(58)	(5)	188	263	(64)	(5)	194
Total intangible assets	10,948	(1,925)	(118)	**8,905**	9,213	(1,890)	(118)	7,205	9,221	(1,859)	(118)	7,244
Goodwill	4,144	—	(221)	**3,923**	4,126	—	(221)	3,905	4,126	—	(221)	3,905
Total intangible assets and goodwill	15,092	(1,925)	(339)	**12,828**	13,339	(1,890)	(339)	11,110	13,347	(1,859)	(339)	11,149

The tables below summarize the changes in the net carrying amounts of intangible assets and goodwill in 2019 and 2018.

(In millions of dollars)	December 31, 2018			December 31, 2019
	Net carrying amount	Net additions	Amortization [1]	**Net carrying amount**
Spectrum licences	6,600	1,731	—	**8,331**
Broadcast licences	234	—	—	**234**
Brand names	136	—	—	**136**
Customer relationships	47	2	(16)	**33**
	7,017	1,733	(16)	**8,734**
Acquired program rights	188	60	(77)	**171**
Total intangible assets	7,205	1,793	(93)	**8,905**
Goodwill	3,905	18	—	**3,923**
Total intangible assets and goodwill	11,110	1,811	(93)	**12,828**

1 Of the $93 million of total amortization, $77 million related to acquired program rights is included in other external purchases in operating costs (see note 6), and $16 million in depreciation and amortization on the Consolidated Statements of Income.

(In millions of dollars)	December 31, 2017				December 31, 2018
	Net carrying amount	Net additions	Amortization [1]	Other [2]	Net carrying amount
Spectrum licences	6,600	—	—	—	6,600
Broadcast licences	230	4	—	—	234
Brand names	136	—	—	—	136
Customer relationships	84	—	(37)	—	47
	7,050	4	(37)	—	7,017
Acquired program rights	194	54	(58)	(2)	188
Total intangible assets	7,244	58	(95)	(2)	7,205
Goodwill	3,905	—	—	—	3,905
Total intangible assets and goodwill	11,149	58	(95)	(2)	11,110

1 Of the $95 million of total amortization, $58 million related to acquired program rights is included in other external purchases in operating costs (see note 6), and $37 million in depreciation and amortization on the Consolidated Statements of Income.
2 Includes disposals, writedowns, reclassifications, and other adjustments.

ANNUAL IMPAIRMENT TESTING
For purposes of testing goodwill for impairment, our CGUs, or groups of CGUs, correspond to our operating segments as disclosed in note 4.

Below is an overview of the methods and key assumptions we used in 2019 to determine recoverable amounts for CGUs, or groups of CGUs, with indefinite-life intangible assets or goodwill that we consider significant.

(In millions of dollars, except periods used and rates)	Carrying value of goodwill	Carrying value of indefinite-life intangible assets	Recoverable amount method	Period of projected cash flows (years)	Terminal growth rates (%)	Pre-tax discount rates (%)
Wireless	1,160	8,465	Value in use	5	0.5	8.4
Cable	1,808	—	Value in use	5	1.5	7.8
Media	955	235	Fair value less cost to sell	5	2.0	9.8

Our fair value measurement for Media is classified as Level 3 in the fair value hierarchy.

We did not recognize an impairment charge related to our goodwill or intangible assets in 2019 or 2018 because the recoverable amounts of the CGUs exceeded their carrying values.

NOTE 10: RESTRUCTURING, ACQUISITION AND OTHER

During the year ended December 31, 2019, we incurred $139 million (2018 - $210 million) in restructuring, acquisition and other expenses. These expenses in 2019 and 2018 primarily consisted of severance costs associated with the targeted restructuring of our employee base and other contract termination costs.

In 2018, these costs also included certain sports-related contract termination costs.

NOTE 11: FINANCE COSTS

		Years ended December 31	
(In millions of dollars)	*Note*	**2019**	2018
Interest on borrowings [1]		**746**	709
Interest on post-employment benefits liability	*23*	**11**	14
Loss on repayment of long-term debt	*21*	**19**	28
(Gain) loss on foreign exchange		**(79)**	136
Change in fair value of derivative instruments		**80**	(95)
Capitalized interest		**(19)**	(20)
Other		**21**	21
Finance costs before interest on lease liabilities		**779**	793
Interest expense on lease liabilities	*8*	**61**	—
Total finance costs		**840**	793

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

FOREIGN EXCHANGE AND CHANGE IN FAIR VALUE OF DERIVATIVE INSTRUMENTS
We recognized $79 million in net foreign exchange gains in 2019 (2018 - $136 million in net losses). These gains and losses were primarily attributed to our US dollar-denominated commercial paper (US CP) program borrowings (see note 17).

These foreign exchange gains (2018 - losses) were partially offset by the $80 million loss related to the change in fair value of derivatives (2018 - $95 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.

During the year ended December 31, 2018, after determining we would not be able to exercise our outstanding bond forward derivatives (bond forwards) within the designated time frame, we discontinued hedge accounting and reclassified a $21 million loss from the hedging reserve within shareholders' equity to "change in fair value of derivative instruments" within finance costs. We subsequently extended the bond forwards and redesignated them as effective hedges. During the year ended December 31, 2019, we exercised these bond forwards. See note 17 for more information on our bond forwards.

NOTE 12: OTHER (INCOME) EXPENSE

(In millions of dollars)	Note	Years ended December 31 2019	2018
Losses from associates and joint ventures	18	**25**	—
Other investment income		**(35)**	(32)
Total other income		**(10)**	(32)

NOTE 13: INCOME TAXES

ACCOUNTING POLICY

Income tax expense includes both current and deferred taxes. We recognize income tax expense in net income unless it relates to an item recognized directly in equity or other comprehensive income. We provide for income taxes based on all of the information that is currently available.

Current tax expense is tax we expect to pay or receive based on our taxable income or loss during the year. We calculate the current tax expense using tax rates enacted or substantively enacted as at the reporting date, including any adjustment to taxes payable or receivable related to previous years.

Deferred tax assets and liabilities arise from temporary differences between the carrying amounts of the assets and liabilities we recognize on our Consolidated Statements of Financial Position and their respective tax bases. We calculate deferred tax assets and liabilities using enacted or substantively enacted tax rates that will apply in the years in which the temporary differences are expected to reverse.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by the same authority on:

- the same taxable entity;
  or
- different taxable entities where these entities intend to settle current tax assets and liabilities on a net basis or the tax assets and liabilities will be realized and settled simultaneously.

We recognize a deferred tax asset for unused losses, tax credits, and deductible temporary differences to the extent it is probable that future taxable income will be available to use the asset.

USE OF ESTIMATES AND JUDGMENTS

JUDGMENTS

We make significant judgments in interpreting tax rules and regulations when we calculate income tax expense. We make judgments to evaluate whether we can recover a deferred tax asset based on our assessment of existing tax laws, estimates of future profitability, and tax planning strategies.

EXPLANATORY INFORMATION

(In millions of dollars)	Years ended December 31 2019	2018
Total current tax expense	**269**	483
Deferred tax expense:		
Origination of temporary differences	**466**	275
Revaluation of deferred tax balances due to legislative changes	**(23)**	—
Total deferred tax expense	**443**	275
Total income tax expense	**712**	758

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 income tax expense for the year.

	Years ended December 31	
(In millions of dollars, except rates)	**2019**	2018
Statutory income tax rate	**26.7%**	26.7%
Income before income tax expense	**2,755**	2,817
Computed income tax expense	**736**	752
Increase (decrease) in income tax expense resulting from:		
Non-deductible stock-based compensation	**—**	5
Non-deductible portion of equity losses	**7**	1
Income tax adjustment, legislative tax change	**(23)**	—
Non-taxable portion of capital gains	**(2)**	(9)
Other	**(6)**	9
Total income tax expense	**712**	758
Effective income tax rate	**25.8%**	26.9%

DEFERRED TAX ASSETS AND LIABILITIES

Below is a summary of the movement of net deferred tax assets and liabilities during2019 and 2018.

Deferred tax assets (liabilities) (In millions of dollars)	Property, plant and equipment and inventory	Goodwill and other intangibles	Investments	Non-capital loss carryforwards	Contract and deferred commission cost assets	Other	Total
December 31, 2018	(1,145)	(1,192)	(66)	29	(515)	(21)	(2,910)
Effect of IFRS 16 adoption (see note 2)	—	—	—	—	—	9	9
(Expense) recovery in net income	(221)	(126)	2	(17)	(55)	(26)	(443)
(Expense) recovery in other comprehensive income	—	—	(104)	—	—	11	(93)
December 31, 2019	**(1,366)**	**(1,318)**	**(168)**	**12**	**(570)**	**(27)**	**(3,437)**

Deferred tax assets (liabilities) (In millions of dollars)	Property, plant and equipment and inventory	Goodwill and other intangibles	Investments	Non-capital loss carryforwards	Contract and deferred commission cost assets	Other	Total
December 31, 2017	(1,060)	(1,075)	(126)	18	(418)	40	(2,621)
(Expense) recovery in net income	(85)	(117)	(3)	11	(97)	16	(275)
Recovery (expense) in other comprehensive income	—	—	63	—	—	(77)	(14)
December 31, 2018	(1,145)	(1,192)	(66)	29	(515)	(21)	(2,910)

We have not recognized deferred tax assets for the following items:

	As at December 31	
(In millions of dollars)	**2019**	2018
Realized and accrued capital losses in Canada that can be applied against future capital gains	**41**	98
Tax losses in foreign jurisdictions that expire between 2023 and 2038	**67**	68
Deductible temporary differences in foreign jurisdictions	**41**	25
Total unrecognized temporary differences	**149**	191

There are taxable temporary differences associated with our investments in Canadian domestic subsidiaries. We do not recognize deferred tax liabilities for these temporary differences because we are able to control the timing of the reversal and the reversal is not probable in the foreseeable future. Reversing these taxable temporary differences is not expected to result in any significant tax implications.

NOTE 14: EARNINGS PER SHARE

ACCOUNTING POLICY

We calculate basic earnings per share by dividing the net income or loss attributable to our RCI Class A Voting and RCI Class B Non-Voting shareholders by the weighted average number of RCI Class A Voting and RCI Class B Non-Voting shares (Class A Shares and Class B Non-Voting Shares, respectively) outstanding during the year.

We calculate diluted earnings per share by adjusting the net income or loss attributable to Class A and Class B Non-Voting shareholders and the weighted average number of Class A Shares and Class B Non-Voting Shares outstanding for the effect of all dilutive potential common shares. We use the treasury stock method for calculating diluted earnings per share, which considers the impact of employee stock options and other potentially dilutive instruments.

Options with tandem stock appreciation rights or cash payment alternatives are accounted for as cash-settled awards. As these awards can be exchanged for common shares of RCI, they are considered potentially dilutive and are included in the calculation of our diluted net earnings per share if they have a dilutive impact in the period.

EXPLANATORY INFORMATION

	Years ended December 31	
(In millions of dollars, except per share amounts)	**2019**	2018
Numerator (basic) - Net income for the year	**2,043**	2,059
Denominator - Number of shares (in millions):		
Weighted average number of shares outstanding - basic	**512**	515
Effect of dilutive securities (in millions):		
Employee stock options and restricted share units	**1**	1
Weighted average number of shares outstanding - diluted	**513**	516
Earnings per share:		
Basic	**$3.99**	$4.00
Diluted	**$3.97**	$3.99

For the years ended December 31, 2019 and 2018, accounting for outstanding share-based payments using the equity-settled method for stock-based compensation was determined to be more dilutive than using the cash-settled method. As a result, net income for the year ended December 31, 2019 was reduced by $6 million (2018 - $2 million) in the diluted earnings per share calculation.

For the year ended December 31, 2019, there were 1,077,875 options out of the money (2018 - 37,715) for purposes of the calculation of earnings per share. These options were excluded from the calculation of the effect of dilutive securities because they were anti-dilutive.

NOTE 15: ACCOUNTS RECEIVABLE

ACCOUNTING POLICY

Accounts receivable represent amounts owing to us that are currently due and collectible. We initially recognize accounts receivable on the date they originate. We measure accounts receivable initially at fair value, and subsequently at amortized cost, with changes recognized in net income. We measure an impairment loss for accounts receivable as the excess of the carrying amount over the present value of future cash flows we expect to derive from it, if any. The excess is allocated to an allowance for doubtful accounts and recognized as a loss in net income.

EXPLANATORY INFORMATION

		As at December 31	
(In millions of dollars)	*Note*	**2019**	2018
Customer accounts receivable		**1,579**	1,529
Other accounts receivable		**785**	762
Allowance for doubtful accounts	*15*	**(60)**	(55)
Total accounts receivable		**2,304**	2,236

We have retrospectively reclassified $23 million as at December 31, 2018 and January 1, 2019 related to our wireless financing programs from "accounts receivable" to "other current assets" as the collection time frame of the amounts differs from accounts receivable.

NOTE 16: INVENTORIES

ACCOUNTING POLICY

We measure inventories, including wireless devices and merchandise for resale, at the lower of cost (determined on a weighted average cost basis for Wireless devices and accessories and a first-in, first-out basis for other finished goods and merchandise) and net realizable value. We reverse a previous writedown to net realizable value, not to exceed the original recognized cost, if the inventories later increase in value.

EXPLANATORY INFORMATION

	As at December 31	
(In millions of dollars)	**2019**	2018
Wireless devices and accessories	**380**	399
Other finished goods and merchandise	**80**	67
Total inventories	**460**	466

Cost of equipment sales and merchandise for resale includes $2,496 million of inventory costs for 2019 (2018 - $2,515 million).

NOTE 17: FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

ACCOUNTING POLICY

Recognition

We initially recognize cash and cash equivalents, bank advances, accounts receivable, financing receivables, debt securities, and accounts payable and accrued liabilities on the date they originate. All other financial assets and financial liabilities are initially recognized on the trade date when we become a party to the contractual provisions of the instrument.

Classification and measurement

We measure financial instruments by grouping them into classes upon initial recognition, based on the purpose of the individual instruments. We initially measure all financial instruments at fair value plus, in the case of our financial instruments not classified as fair value through profit and loss (FVTPL) or FVTOCI, transaction costs that are directly attributable to the acquisition or issuance of the financial instruments.

The classifications and methods of measurement subsequent to initial recognition of our financial assets and financial liabilities are as follows:

Financial instrument	Classification and measurement method
Financial assets	
Cash and cash equivalents	Amortized cost
Accounts receivable	Amortized cost
Financing receivables	Amortized cost
Investments, measured at FVTOCI	FVTOCI with no reclassification to net income [1]
Financial liabilities	
Bank advances	Amortized cost
Short-term borrowings	Amortized cost
Accounts payable	Amortized cost
Accrued liabilities	Amortized cost
Long-term debt	Amortized cost
Lease liabilities	Amortized cost
Derivatives [2]	
Debt derivatives [3]	FVTOCI and FVTPL
Bond forwards	FVTOCI
Expenditure derivatives	FVTOCI
Equity derivatives	FVTPL [4]

1 Subsequently measured at fair value with changes recognized in the FVTOCI investment reserve.
2 Derivatives can be in an asset or liability position at a point in time historically or in the future. For derivatives designated as cash flow hedges for accounting purposes, the effective portion of the hedge is recognized in accumulated other comprehensive income and the ineffective portion of the hedge is recognized immediately into net income.
3 Debt derivatives related to our credit facility and commercial paper borrowings have not been designated as hedges for accounting purposes and are measured at FVTPL. Debt derivatives related to our senior notes and debentures are designated as hedges for accounting purposes and are measured at FVTOCI.
4 Subsequent changes are offset against stock-based compensation expense or recovery in operating costs.

Offsetting financial assets and financial liabilities
We offset financial assets and financial liabilities and present the net amount on the Consolidated Statements of Financial Position when we have a legal right to offset them and intend to settle on a net basis or realize the asset and liability simultaneously.

Derivative instruments
We use derivative instruments to manage risks related to certain activities in which we are involved. They include:

Derivatives	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 notes and debentures, credit facility borrowings, commercial paper borrowings, and certain lease liabilities	Cross-currency interest rate exchange agreements Forward foreign exchange agreements (from time to time as necessary)
Bond forwards	Impact of fluctuations in market interest rates on forecast interest payments for expected long-term debt	Forward interest rate agreements
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 on stock-based compensation expense	Total return swap agreements

We use derivatives only to manage risk, and not for speculative purposes.

When we designate a derivative instrument as a hedging instrument for accounting purposes, we first determine that the hedging instrument will be highly effective in offsetting the changes in fair value or cash flows of the item it is hedging. We then formally document the relationship between the hedging instrument and hedged item, including the risk management objectives and strategy and the methods we will use to assess the ongoing effectiveness of the hedging relationship.

We assess, on a quarterly basis, whether each hedging instrument continues to be highly effective in offsetting the changes in the fair value or cash flows of the item it is hedging.

We assess host contracts in order to identify embedded derivatives. Embedded derivatives are separated from the host contract and accounted for as separate derivatives if the host contract is not a financial asset and certain criteria are met.

Hedge ratio
Our policy is to hedge 100% of the foreign currency risk arising from principal and interest payment obligations on US dollar-denominated senior notes and debentures using debt derivatives. We also hedge up to 100% of the remaining lease payments when we enter into debt derivatives on our US dollar-denominated lease liabilities. We typically hedge up to 100% of forecast foreign currency expenditures net of foreign currency cash inflows using expenditure derivatives. From time to time, we hedge up to 100% of the interest rate risk on forecast future senior note issuances using bond forwards.

Hedging reserve
The hedging reserve represents the accumulated change in fair value of our derivative instruments to the extent they were effective hedges for accounting purposes, less accumulated amounts reclassified into net income.

Deferred transaction costs and discounts
We defer transaction costs and discounts associated with issuing long-term debt and direct costs we pay to lenders to obtain certain credit facilities and amortize them using the effective interest method over the life of the related instrument.

FVTOCI investment reserve
The FVTOCI investment reserve represents the accumulated change in fair value of our equity investments that are measured at FVTOCI less accumulated impairment losses related to the investments and accumulated amounts reclassified into equity.

Impairment (expected credit losses)
We consider the credit risk of a financial asset at initial recognition and at each reporting period thereafter until it is derecognized. For a financial asset that is determined to have low credit risk at the reporting date and that has not had significant increases in credit risk since initial recognition, we measure any impairment loss based on the credit losses we expect to recognize over the next twelve months. For other financial assets, we will measure an impairment loss based on the lifetime expected credit losses. Certain assets, such as trade receivables and contract assets without significant financing components, must always be recorded at lifetime expected credit losses.

Lifetime expected credit losses are estimates of all possible default events over the expected life of a financial instrument. Twelve-month expected credit losses are estimates of all possible default events within twelve months of the reporting date or over the expected life of a financial instrument, whichever is shorter.

Financial assets that are significant in value are assessed individually. All other financial assets are assessed collectively based on the nature of each asset.

We measure impairment for financial assets as follows:
- *Contract assets* - we measure an impairment loss for contract assets based on the lifetime expected credit losses, which is allocated to an allowance for doubtful accounts and recognized as a loss in net income (see note 5).
- *Accounts receivable* - we measure an impairment loss for accounts receivable based on the lifetime expected credit losses, which is allocated to an allowance for doubtful accounts and recognized as a loss in net income (see note 15).
- *Financing receivables* - we measure an impairment loss for financing receivables based on the lifetime expected credit losses, which is allocated to an allowance for doubtful accounts and recognized as a loss in net income.
- *Investments measured at FVTOCI* - we measure an impairment loss for equity investments measured at FVTOCI as the excess of the cost to acquire the asset (less any impairment loss we have previously recognized) over its current fair value, if any. The difference is recognized in the FVTOCI investment reserve.

We consider financial assets to be in default when, in the case of contract assets and accounts receivable, the counterparty is unlikely to satisfy its obligations to us in full. Our investments measured at FVTOCI cannot default. To determine if our financial assets are in default, we consider the amount of time for which it has been outstanding, the reason for the amount being outstanding (for example, if the customer has ongoing service or, if they have been deactivated, whether voluntarily or involuntarily), and the risk profile of the underlying customers. We typically write-off accounts receivable when they have been outstanding for a significant period of time.

USE OF ESTIMATES AND JUDGMENTS

ESTIMATES

Fair value estimates related to our derivatives are made at a specific point in time based on relevant market information and information about the underlying financial instruments. These estimates require assessment of the credit risk of the parties to the instruments and the instruments' discount rates. These fair values and underlying estimates are also used in the tests of effectiveness of our hedging relationships.

JUDGMENTS
We make significant judgments in determining whether our financial instruments qualify for hedge accounting. 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.

EXPLANATORY INFORMATION
We are exposed to credit, liquidity, market price, foreign exchange, and interest rate risks. Our primary risk management objective is to protect our income, cash flows, and, ultimately, shareholder value. We design and implement the risk management strategies discussed below to ensure our risks and the related exposures are consistent with our business objectives and risk tolerance. Below is a summary of our potential risk exposures by financial instrument.

Financial instrument	Financial risks
Financial assets	
Cash and cash equivalents	Credit and foreign exchange
Accounts receivable	Credit and foreign exchange
Financing receivables	Credit
Investments, measured at FVTOCI	Liquidity, market price, and foreign exchange
Financial liabilities	
Bank advances	Liquidity
Short-term borrowings	Liquidity, foreign exchange, and interest rate
Accounts payable	Liquidity
Accrued liabilities	Liquidity
Long-term debt	Liquidity, foreign exchange, and interest rate
Lease liabilities	Liquidity and foreign exchange
Derivatives [1]	
Debt derivatives	Credit, liquidity, and foreign exchange
Bond forwards	Credit, liquidity, and interest rate
Expenditure derivatives	Credit, liquidity, and foreign exchange
Equity derivatives	Credit, liquidity, and market price

[1] Derivatives can be in an asset or liability position at a point in time historically or in the future.

CREDIT RISK
Credit risk represents the financial loss we could experience if a counterparty to a financial instrument, from whom we have an amount owing, failed to meet its obligations under the terms and conditions of its contracts with us.

Our credit risk exposure is primarily attributable to our accounts receivable, our financing receivables, and to our debt, expenditure, and equity derivatives. Our broad customer base limits the concentration of this risk. Our accounts receivable and financing receivables on the Consolidated Statements of Financial Position are net of allowances for doubtful accounts.

Accounts receivable
Our accounts receivable do not contain significant financing components and therefore we measure our allowance for doubtful accounts using lifetime expected credit losses related to our accounts receivable. We believe the allowance for doubtful accounts sufficiently reflects the credit risk associated with our accounts receivable. As at December 31, 2019, $464 million (2018 - $477 million) of gross accounts receivable are considered past due, which is defined as amounts outstanding beyond normal credit terms and conditions for the respective customers.

Below is a summary of the aging of our customer accounts receivable.

	As at December 31	
(In millions of dollars)	**2019**	2018
Customer accounts receivable (net of allowance for doubtful accounts)		
Less than 30 days past billing date	**1,053**	970
30-60 days past billing date	**274**	300
61-90 days past billing date	**90**	100
Greater than 90 days past billing date	**102**	104
Total	**1,519**	1,474

Below is a summary of the activity related to our allowance for doubtful accounts.

	Years ended December 31	
(In millions of dollars)	**2019**	2018
Balance, beginning of year	**55**	61
Allowance for doubtful accounts expense	**238**	201
Net use [1]	**(233)**	(207)
Balance, end of year	**60**	55

[1] Includes $17 million of recoveries arising from the sale of fully provided for accounts receivable for the year ended December 31, 2018.

We use various controls and processes, such as credit checks, deposits on account, and billing in advance, to mitigate credit risk. We monitor and take appropriate action to suspend services when customers have fully used their approved credit limits or violated established payment terms. While our credit controls and processes have been effective in managing credit risk, they cannot eliminate credit risk and there can be no assurance that these controls will continue to be effective or that our current credit loss experience will continue.

Derivative instruments
Credit risk related to our debt derivatives, expenditure derivatives, and equity derivatives arises from the possibility that the counterparties to the agreements may default on their obligations. We assess the creditworthiness of the counterparties to minimize the risk of counterparty default and do not require collateral or other security to support the credit risk associated with these derivatives. Counterparties to the entire portfolio of our derivatives are financial institutions with a S&P Global Ratings (or the equivalent) ranging from A to AA-.

LIQUIDITY RISK
Liquidity risk is the risk that we will not be able to meet our financial obligations as they fall due. We manage liquidity risk by managing our commitments and maturities, capital structure, and financial leverage (see note 3). We also manage liquidity risk by continually monitoring actual and projected cash flows to ensure we will have sufficient liquidity to meet our liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation.

Below is a summary of the undiscounted contractual maturities of our financial liabilities and the receivable components of our derivatives as at December 31, 2019 and 2018.

December 31, 2019 (In millions of dollars)	Carrying amount	Contractual cash flows	Less than 1 year	1 to 3 years	4 to 5 years	More than 5 years
Short-term borrowings	2,238	2,238	2,238	—	—	—
Accounts payable and accrued liabilities	3,033	3,033	3,033	—	—	—
Long-term debt	15,967	16,130	—	2,050	2,353	11,727
Lease liabilities	1,725	2,220	230	413	326	1,251
Other long-term financial liabilities	26	26	—	12	7	7
Expenditure derivative instruments:						
Cash outflow (Canadian dollar)	—	1,287	1,248	39	—	—
Cash inflow (Canadian dollar equivalent of US dollar)	—	(1,286)	(1,247)	(39)	—	—
Equity derivative instruments	—	(55)	(55)	—	—	—
Debt derivative instruments accounted for as hedges:						
Cash outflow (Canadian dollar)	—	9,903	—	—	1,392	8,511
Cash inflow (Canadian dollar equivalent of US dollar) [1]	—	(10,780)	—	—	(1,753)	(9,027)
Debt derivative instruments not accounted for as hedges:						
Cash outflow (Canadian dollar)	—	1,622	1,622	—	—	—
Cash inflow (Canadian dollar equivalent of US dollar) [1]	—	(1,593)	(1,593)	—	—	—
Net carrying amount of derivatives (asset)	(1,439)					
	21,550	22,745	5,476	2,475	2,325	12,469

[1] Represents Canadian dollar equivalent amount of US dollar inflows matched to an equal amount of US dollar maturities in long-term debt for debt derivatives.

December 31, 2018 (In millions of dollars)	Carrying amount	Contractual cash flows	Less than 1 year	1 to 3 years	4 to 5 years	More than 5 years
Short-term borrowings	2,255	2,255	2,255	—	—	—
Accounts payable and accrued liabilities	3,052	3,052	3,052	—	—	—
Long-term debt	14,290	14,404	900	2,350	2,442	8,712
Other long-term financial liabilities	38	38	1	24	5	8
Expenditure derivative instruments:						
Cash outflow (Canadian dollar)	—	1,341	1,045	296	—	—
Cash inflow (Canadian dollar equivalent of US dollar)	—	(1,473)	(1,146)	(327)	—	—
Equity derivative instruments	—	(92)	(92)	—	—	—
Debt derivative instruments accounted for as hedges:						
Cash outflow (Canadian dollar)	—	6,920	—	—	1,392	5,528
Cash inflow (Canadian dollar equivalent of US dollar) [1]	—	(8,254)	—	—	(1,842)	(6,412)
Debt derivative instruments not accounted for as hedges:						
Cash outflow (Canadian dollar)	—	1,560	1,560	—	—	—
Cash inflow (Canadian dollar equivalent of US dollar) [1]	—	(1,601)	(1,601)	—	—	—
Bond forwards	—	87	87	—	—	—
Net carrying amount of derivatives (asset)	(1,500)					
	18,135	18,237	6,061	2,343	1,997	7,836

[1] Represents Canadian dollar equivalent amount of US dollar inflows matched to an equal amount of US dollar maturities in long-term debt for debt derivatives.

Below is a summary of the net interest payments over the life of the long-term debt, including the impact of the associated debt derivatives, as at December 31, 2019 and 2018.

December 31, 2019 (In millions of dollars)	Less than 1 year	1 to 3 years	4 to 5 years	More than 5 years
Net interest payments	735	1,299	1,121	8,763

December 31, 2018 (In millions of dollars)	Less than 1 year	1 to 3 years	4 to 5 years	More than 5 years
Net interest payments	658	1,141	913	5,923

MARKET PRICE RISK
Market price risk is the risk that changes in market prices, such as fluctuations in the market prices of our investments measured at FVTOCI or our share price will affect our income, cash flows, or the value of our financial instruments. The derivative instruments we use to manage this risk are described in this note.

Market price risk - publicly traded investments
We manage risk related to fluctuations in the market prices of our investments in publicly traded companies by regularly reviewing publicly available information related to these investments to ensure that any risks are within our established levels of risk tolerance. We do not engage in risk management practices such as hedging, derivatives, or short selling with respect to our publicly traded investments.

Market price risk - Class B Non-Voting Shares
Our liability related to stock-based compensation is remeasured at fair value each period. Stock-based compensation expense is affected by changes in the price of our Class B Non-Voting Shares during the life of an award, including stock options, restricted share units (RSUs), and deferred share units (DSUs). We use equity derivatives from time to time to manage the exposure in our stock-based compensation liability. As a result of our equity derivatives, a one-dollar change in the price of a Class B Non-Voting Share would not have a material effect on net income.

FOREIGN EXCHANGE RISK
We use debt derivatives to manage risks from fluctuations in foreign exchange rates associated with our US dollar-denominated long-term debt, short-term borrowings, and lease liabilities. We designate the debt derivatives related to our senior notes and debentures and lease liabilities as hedges for accounting purposes against the foreign exchange risk associated with specific debt instruments and lease contracts, respectively. We have not designated the debt derivatives related to our US CP program as hedges for accounting purposes. We use expenditure derivatives to manage the foreign exchange risk in our operations, designating them as hedges for certain of our forecast operational and capital expenditures. As at December 31, 2019, all of our US dollar-denominated long-term debt, short-term borrowings, and lease liabilities were hedged against fluctuations in foreign exchange rates using debt derivatives. With respect to our long-term debt and US CP program, as a result of our debt derivatives, a one-cent change in the Canadian dollar relative to the US dollar would have no effect on net income.

A portion of our accounts receivable and accounts payable and accrued liabilities is denominated in US dollars. Due to the short-term nature of these receivables and payables, they carry no significant risk from fluctuations in foreign exchange rates as at December 31, 2019.

INTEREST RATE RISK
We are exposed to risk of changes in market interest rates due to the impact this has on interest expense for our short-term borrowings and bank credit facilities. As at December 31, 2019, 87.2% of our outstanding long-term debt and short-term borrowings was at fixed interest rates (2018 - 85.3%).

Sensitivity analysis
Below is a sensitivity analysis for significant exposures with respect to our publicly traded investments, expenditure derivatives, short-term borrowings, senior notes, and bank credit facilities as at December 31, 2019 and 2018 with all other variables held constant. It shows how net income and other comprehensive income would have been affected by changes in the relevant risk variables.

	Net income		Other comprehensive income	
(Change in millions of dollars)	**2019**	2018	**2019**	2018
Share price of publicly traded investments				
$1 change	**—**	—	**14**	14
Expenditure derivatives - change in foreign exchange rate				
$0.01 change in Cdn$ relative to US$	**—**	—	**7**	8
Short-term borrowings				
1% change in interest rates	**17**	17	**—**	—

DERIVATIVE INSTRUMENTS
As at December 31, 2019 and 2018, all of our US dollar-denominated long-term debt instruments were hedged against fluctuations in foreign exchange rates for accounting purposes. Below is a summary of our net asset (liability) position for our various derivatives.

(In millions of dollars, except exchange rates)	Notional amount (US$)	Exchange rate	Notional amount (Cdn$)	Fair value (Cdn$)
			As at December 31, 2019	
Debt derivatives accounted for as cash flow hedges:				
As assets	5,800	1.1357	6,587	**1,508**
As liabilities	2,570	1.3263	3,409	**(96)**
Short-term debt derivatives not accounted for as hedges:				
As liabilities	1,223	1.3227	1,618	**(29)**
Net mark-to-market debt derivative asset				**1,383**
Expenditure derivatives accounted for as cash flow hedges:				
As assets	270	1.2391	335	**16**
As liabilities	720	1.3228	952	**(15)**
Net mark-to-market expenditure derivative asset				**1**
Equity derivatives not accounted for as hedges:				
As assets			223	**55**
Net mark-to-market asset				**1,439**

(In millions of dollars, except exchange rates)	Notional amount (US$)	Exchange rate	Notional amount (Cdn$)	Fair value (Cdn$)
			As at December 31, 2018	
Debt derivatives accounted for as cash flow hedges:				
As assets	5,500	1.1243	6,184	1,354
As liabilities	550	1.3389	736	(22)
Short-term debt derivatives not accounted for as hedges:				
As assets	1,178	1.3276	1,564	41
Net mark-to-market debt derivative asset				1,373
Bond forwards accounted for as cash flow hedges:				
As liabilities	—	—	900	(87)
Expenditure derivatives accounted for as cash flow hedges:				
As assets	1,080	1.2413	1,341	122
Equity derivatives not accounted for as hedges:				
As assets	—	—	258	92
Net mark-to-market asset				1,500

Below is a summary of the net cash (payments) proceeds on debt derivatives.

(In millions of dollars)	Years ended December 31	
	2019	2018
Proceeds on debt derivatives related to US commercial paper	**17,056**	19,211
Proceeds on debt derivatives related to credit facility borrowings	**564**	157
Proceeds on debt derivatives related to senior notes	**—**	1,761
Total proceeds on debt derivatives	**17,620**	21,129
Payments on debt derivatives related to US commercial paper	**(17,069)**	(19,148)
Payments on debt derivatives related to credit facility borrowings	**(561)**	(157)
Payments on debt derivatives related to senior notes	**—**	(1,436)
Total payments on debt derivatives	**(17,630)**	(20,741)
Net (payments) proceeds on settlement of debt derivatives	**(10)**	388

Below is a summary of the changes in fair value of our derivative instruments for 2019 and 2018.

Year ended December 31, 2019 (In millions of dollars)	Debt derivatives (hedged)	Debt derivatives (unhedged)	Bond forwards	Expenditure derivatives	Equity derivatives	Total instruments
Derivative instruments, beginning of year	1,332	41	(87)	122	92	**1,500**
Proceeds received from settlement of derivatives	—	(17,620)	—	(1,194)	(15)	**(18,829)**
Payment on derivatives settled	—	17,630	111	1,124	—	**18,865**
Increase (decrease) in fair value of derivatives	80	(80)	(24)	(51)	(22)	**(97)**
Derivative instruments, end of year	1,412	(29)	—	1	55	**1,439**
Mark-to-market asset	1,508	—	—	16	55	**1,579**
Mark-to-market liability	(96)	(29)	—	(15)	—	**(140)**
Mark-to-market asset (liability)	1,412	(29)	—	1	55	**1,439**

Year ended December 31, 2018 (In millions of dollars)	Debt derivatives (hedged)	Debt derivatives (unhedged)	Bond forwards	Expenditure derivatives	Equity derivatives	Total instruments
Derivative instruments, beginning of year	1,152	(23)	(64)	(39)	68	1,094
Proceeds received from settlement of derivatives	(1,761)	(19,368)	—	(1,089)	(4)	(22,222)
Payment on derivatives settled	1,436	19,305	—	1,093	—	21,834
Increase (decrease) in fair value of derivatives	505	127	(23)	157	28	794
Derivative instruments, end of year	1,332	41	(87)	122	92	1,500
Mark-to-market asset	1,354	41	—	122	92	1,609
Mark-to-market liability	(22)	—	(87)	—	—	(109)
Mark-to-market asset (liability)	1,332	41	(87)	122	92	1,500

Below is a summary of the derivative instruments assets and derivative instruments liabilities reflected on our Consolidated Statements of Financial Position.

	As at December 31	
(In millions of dollars)	**2019**	2018
Current asset	**101**	270
Long-term asset	**1,478**	1,339
	1,579	1,609
Current liability	**(50)**	(87)
Long-term liability	**(90)**	(22)
	(140)	(109)
Net mark-to-market asset	**1,439**	1,500

As at December 31, 2019, US$8.4 billion notional amount of our outstanding debt derivatives have been designated as hedges for accounting purposes (2018 - US$6.1 billion). As at December 31, 2019, 100% of our currently outstanding expenditure derivatives have been designated as hedges for accounting purposes (2018 - 100% of our then-outstanding bond forwards and expenditure derivatives). In 2019, we recognized a nil impact to net income related to hedge ineffectiveness (2018 - $10 million decrease).

Debt derivatives
We use cross-currency interest exchange agreements to manage risks from fluctuations in foreign exchange rates associated with our US dollar-denominated debt instruments, credit facility borrowings, and commercial paper borrowings (see note

19). We designate the debt derivatives related to our senior notes and debentures as hedges for accounting purposes against the foreign exchange risk associated with specific debt instruments. We do not designate the debt derivatives related to our credit facility borrowings or commercial paper borrowings as hedges for accounting purposes.

During 2019 and 2018, we entered and settled debt derivatives related to our credit facility borrowings and US CP program as follows:

	Year ended December 31, 2019			Year ended December 31, 2018		
(In millions of dollars, except exchange rates)	Notional (US$)	Exchange rate	Notional (Cdn$)	Notional (US$)	Exchange rate	Notional (Cdn$)
Credit facilities						
Debt derivatives entered	**420**	**1.336**	**561**	125	1.257	157
Debt derivatives settled	**420**	**1.343**	**564**	125	1.256	157
Net cash received (paid)			**3**			(1)
Commercial paper program						
Debt derivatives entered	**12,897**	**1.328**	**17,127**	15,262	1.294	19,751
Debt derivatives settled	**12,847**	**1.329**	**17,069**	14,833	1.291	19,148
Net cash (paid) received			**(13)**			63

In 2019 and 2018, we entered into debt derivatives to hedge the foreign currency risk associated with the principal and interest components of the US dollar-denominated senior notes issued during these years (see note 21). Below is a summary of the debt derivatives we entered to hedge senior notes issued during 2019 and 2018.

(In millions of dollars, except for coupon and interest rates)		US$		Hedging effect	
Effective date	Principal/Notional amount (US$)	Maturity date	Coupon rate	Fixed hedged (Cdn$) interest rate [1]	Equivalent (Cdn$)
2019 issuances					
April 30, 2019	1,250	2049	4.350%	4.173%	1,676
November 12, 2019	1,000	2049	3.700%	3.996%	1,308
2018 issuances					
February 8, 2018	750	2048	4.300%	4.193%	938

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

During the year, concurrent with the issuances of our US$1,250 million and US$1,000 million senior notes, we entered into debt derivatives to convert all interest and principal payment obligations to Canadian dollars. As a result, we received net proceeds of $1,676 million and $1,308 million, respectively, from the issuances.

In 2018, concurrent with the issuance of our US$750 million senior notes, we entered into debt derivatives to convert all interest and principal payment obligations to Canadian dollars. As a result, we received net proceeds of $938 million from the issuance.

Bond forwards
During the year ended December 31, 2018, after determining we would not be able to exercise our $900 million notional amount of outstanding bond forwards within the designated time frame, we discontinued hedge accounting and reclassified a $21 million loss from the hedging reserve within shareholders' equity to "change in fair value of derivative instruments" within finance costs. We subsequently extended the bond forwards and redesignated them as effective hedges.

During the year ended December 31, 2019, we exercised a $500 million notional bond forward due 2019 in relation to the issuance of the $1 billion senior notes due 2029 and paid $54 million to settle the derivative. We also exercised a $400 million notional bond forward due 2019 in relation to the issuance of the US$1.25 billion senior notes due 2049 and paid $57 million to settle the derivative. We did not enter into or settle any other bond forwards during the years ended December 31, 2019 or 2018. As at December 31, 2019, we have no outstanding bond forwards.

Expenditure derivatives
Below is a summary of the expenditure derivatives we entered and settled during 2019 and 2018 to manage foreign exchange risk related to certain forecast expenditures.

	Years ended December 31					
	2019			2018		
(In millions of dollars, except exchange rates)	Notional (US$)	Exchange rate	Notional (Cdn$)	Notional (US$)	Exchange rate	Notional (Cdn$)
Expenditure derivatives entered	**810**	**1.321**	**1,070**	720	1.244	896
Expenditure derivatives settled	**900**	**1.249**	**1,124**	840	1.301	1,093

As at December 31, 2019, we had US$990 million of expenditure derivatives outstanding (2018 - US$1,080 million), at an average rate of $1.300/US$ (2018 - $1.241/US$), with terms to maturity ranging from January 2020 to December 2021 (2018 - January 2019 to December 2020). As at December 31, 2019, our outstanding expenditure derivatives maturing in 2020 were hedged at an average exchange rate of $1.30/US$.

Equity derivatives
We have equity derivatives to hedge market price appreciation risk associated with Class B Non-Voting Shares that have been granted under our stock-based compensation programs for stock options, RSUs, and DSUs (see note 25). The equity derivatives were originally entered into at a weighted average price of $50.37 with terms to maturity of one year, extendible for further one-year periods with the consent of the hedge counterparties. In 2019, we executed extension agreements for each of our equity derivative contracts under substantially the same committed terms and conditions with revised expiry dates of April 2020 (from April 2019). The equity derivatives have not been designated as hedges for accounting purposes.

During the year ended December 31, 2019, we settled 0.7 million (2018 - 0.4 million) equity derivatives at a weighted average price of $71.66 (2018 - $61.15) for net proceeds of $16 million (2018 - $4 million).

During 2019, we recognized an expense, net of interest receipts, of $18 million (2018 - $33 million recovery), in stock-based compensation expense related to the change in fair value of our equity derivative contracts net of received payments. As at December 31, 2019, the fair value of the equity derivatives was an asset of $55 million (2018 - $92 million asset), which is included in current portion of derivative instruments.

As at December 31, 2019, we had equity derivatives outstanding for 4.3 million (2018 - 5.0 million) Class B Non-Voting Shares with a weighted average price of $51.76 (2018 - $51.54).

FAIR VALUES OF FINANCIAL INSTRUMENTS
The carrying values of cash and cash equivalents, accounts receivable, bank advances, short-term borrowings, and accounts payable and accrued liabilities approximate their fair values because of the short-term natures of these financial instruments. The carrying values of our financing receivables also approximate their fair values based on our recognition of an expected credit loss allowance.

We determine the fair value of each of our publicly traded investments using quoted market values. We determine the fair value of our private investments by using implied valuations from follow-on financing rounds, third-party sale negotiations, or market-based approaches. These are applied appropriately to each investment depending on its future operating and profitability prospects.

The fair values of each of our public debt instruments are based on the period-end estimated market yields, or period-end trading values, where available. We determine the fair values of our debt derivatives and expenditure derivatives using an estimated credit-adjusted mark-to-market valuation by discounting cash flows to the measurement date. In the case of debt derivatives and expenditure derivatives in an asset position, the credit spread for the financial institution counterparty is added to the risk-free discount rate to determine the estimated credit-adjusted value for each derivative. For these debt derivatives and expenditure derivatives in a liability position, our credit spread is added to the risk-free discount rate for each derivative.

The fair values of our equity derivatives are based on the period-end quoted market value of Class B Non-Voting Shares.

Our disclosure of the three-level fair value hierarchy reflects the significance of the inputs used in measuring fair value:
- financial assets and financial liabilities in Level 1 are valued by referring to quoted prices in active markets for identical assets and liabilities;
- financial assets and financial liabilities in Level 2 are valued using inputs based on observable market data, either directly or indirectly, other than the quoted prices;
- Level 3 valuations are based on inputs that are not based on observable market data.

There were no material financial instruments categorized in Level 3 as atDecember 31, 2019 and 2018 and there were no transfers between Level 1, Level 2, or Level 3 during the respective periods.

Below is a summary of the financial instruments carried at fair value.

	As at December 31					
	Carrying value		Fair value (Level 1)		Fair value (Level 2)	
(In millions of dollars)	**2019**	2018	**2019**	2018	**2019**	2018
Financial assets						
Investments, measured at FVTOCI:						
Investments in publicly traded companies	**1,831**	1,051	**1,831**	1,051	**—**	—
Held-for-trading:						
Debt derivatives accounted for as cash flow hedges	**1,508**	1,354	**—**	—	**1,508**	1,354
Debt derivatives not accounted for as cash flow hedges	**—**	41	**—**	—	**—**	41
Expenditure derivatives accounted for as cash flow hedges	**16**	122	**—**	—	**16**	122
Equity derivatives not accounted for as cash flow hedges	**55**	92	**—**	—	**55**	92
Total financial assets	**3,410**	2,660	**1,831**	1,051	**1,579**	1,609
Financial liabilities						
Held-for-trading:						
Debt derivatives accounted for as cash flow hedges	**96**	22	**—**	—	**96**	22
Debt derivatives not accounted for as hedges	**29**	—	**—**	—	**29**	—
Bond forwards accounted for as cash flow hedges	**—**	87	**—**	—	**—**	87
Expenditure derivatives accounted for as cash flow hedges	**15**	—	**—**	—	**15**	—
Total financial liabilities	**140**	109	**—**	—	**140**	109

Below is a summary of the fair value of our long-term debt.

			As at December 31	
(In millions of dollars)	**2019**		2018	
	Carrying amount	Fair value [1]	Carrying amount	Fair value [1]
Long-term debt (including current portion)	**15,967**	**18,354**	14,290	15,110

[1] Long-term debt (including current portion) is measured at Level 2 in the three-level fair value hierarchy, based on year-end trading values.

We did not have any non-derivative held-to-maturity financial assets during the years endedDecember 31, 2019 and 2018.

NOTE 18: INVESTMENTS

ACCOUNTING POLICY

Investments in publicly traded and private companies

We have elected to irrevocably classify our investments in companies over which we do not have control or significant influence as FVTOCI with no subsequent reclassification to net income because we do not hold these investments with the intent of short-term trading. We account for them as follows:

- publicly traded companies - at fair value based on publicly quoted prices; and
- private companies - at fair value using implied valuations from follow-on financing rounds, third-party sale negotiations, or market-based approaches.

Investments in associates and joint arrangements

An entity is an associate when we have significant influence over the entity's financial and operating policies but do not control the entity. We are generally presumed to have significant influence over an entity when we hold more than 20% of the voting power.

A joint arrangement exists when there is a contractual agreement that establishes joint control over activities and requires unanimous consent for strategic financial and operating decisions. We classify our interests in joint arrangements into one of two categories:

- joint ventures - when we have the rights to the net assets of the arrangement; and
- joint operations - when we have the rights to the assets and obligations for the liabilities related to the arrangement.

We use the equity method to account for our investments in associates and joint ventures; we recognize our proportionate interest in the assets, liabilities, revenue, and expenses of our joint operations.

We initially recognize our investments in associates and joint ventures at cost and subsequently increase or decrease the carrying amounts based on our share of each entity's income or loss. Distributions we receive from these entities reduce the carrying amounts of our investments.

We eliminate unrealized gains and losses from our investments in associates or joint ventures against our investments, up to the amount of our interest in the entities.

Impairment in associates and joint ventures
At the end of each reporting period, we assess whether there is objective evidence that impairment exists in our investments in associates and joint ventures. If objective evidence exists, we compare the carrying amount of the investment to its recoverable amount and recognize the excess over the recoverable amount, if any, as a loss in net income.

EXPLANATORY INFORMATION

	As at December 31	
(In millions of dollars)	**2019**	2018
Investments in:		
Publicly traded companies	**1,831**	1,051
Private companies	**107**	145
Investments, measured at FVTOCI	**1,938**	1,196
Investments, associates and joint ventures	**892**	938
Total investments	**2,830**	2,134

INVESTMENTS, MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Publicly traded companies
We hold a number of interests in publicly traded companies, including Cogeco Inc. and Cogeco Communications Inc. This year, we recognized realized losses of nil and unrealized gains of $780 million (2018 - nil of realized losses and $414 million of unrealized losses) in other comprehensive income.

INVESTMENTS, ASSOCIATES AND JOINT VENTURES

We have interests in a number of associates and joint ventures, some of which include:

Maple Leaf Sports and Entertainment Limited (MLSE)
MLSE, a sports and entertainment company, owns and operates the Scotiabank Arena, the NHL's Toronto Maple Leafs, the NBA's Toronto Raptors, MLS' Toronto FC, the CFL's Toronto Argonauts, the AHL's Toronto Marlies, and other assets. We, along with BCE Inc. (BCE), jointly own an indirect net 75% equity interest in MLSE with our portion representing a 37.5% equity interest in MLSE. Our investment in MLSE is accounted for as a joint venture using the equity method.

Glentel
Glentel is a large, multicarrier mobile phone retailer with several hundred Canadian wireless retail distribution outlets. We own a 50% equity interest in Glentel, with the remaining 50% interest owned by BCE. Our investment in Glentel is accounted for as a joint venture using the equity method.

Below is a summary of financial information pertaining to our significant associates and joint ventures and our portions thereof.

	As at or years ended December 31	
(In millions of dollars)	**2019**	2018
Current assets	**491**	489
Long-term assets	**3,501**	3,303
Current liabilities	**(906)**	(740)
Long-term liabilities	**(1,407)**	(1,258)
Total net assets	**1,679**	1,794
Our share of net assets	**851**	935
Revenue	**2,314**	1,903
Expenses	**(2,366)**	(1,902)
Net (loss) income	**(52)**	1
Our share of net (loss) income	**(24)**	—

One of our joint ventures has a non-controlling interest that has a right to require our joint venture to purchase that non-controlling interest at a future date at fair value.

NOTE 19: SHORT-TERM BORROWINGS

Below is a summary of our short-term borrowings as at December 31, 2019 and 2018.

	As at December 31	
(In millions of dollars)	**2019**	2018
Accounts receivable securitization program	**650**	650
US commercial paper program	**1,588**	1,605
Total short-term borrowings	**2,238**	2,255

Below is a summary of the activity relating to our short-term borrowings for the years ended December 31, 2019 and 2018.

	Year ended December 31, 2019			Year ended December 31, 2018		
(In millions of dollars, except exchange rates)	Notional (US$)	Exchange rate	Notional (Cdn$)	Notional (US$)	Exchange rate	Notional (Cdn$)
Proceeds received from US commercial paper	**12,897**	**1.328**	**17,127**	15,262	1.294	19,752
Repayment of US commercial paper	**(12,876)**	**1.328**	**(17,094)**	(14,858)	1.295	(19,244)
Net proceeds received from US commercial paper			**33**			508
Proceeds received from accounts receivable securitization			**—**			225
Repayment of accounts receivable securitization			**—**			(225)
Net proceeds received from accounts receivable securitization			**—**			**—**
Proceeds received from credit facilities	**420**	**1.336**	**561**	—	—	—
Repayment of credit facilities	**(420)**	**1.343**	**(564)**	—	—	—
Net repayment of credit facilities			**(3)**			**—**
Net proceeds received on short-term borrowings			**30**			508

ACCOUNTS RECEIVABLE SECURITIZATION PROGRAM

We participate in an accounts receivable securitization program with a Canadian financial institution that allows us to sell certain trade receivables into the program. As at December 31, 2019, the proceeds of the sales were committed up to a maximum of $1,050 million (2018 - $1,050 million) and the program has a term of November 1, 2020.

	As at December 31

(In millions of dollars)	2019	2018
Trade accounts receivable sold to buyer as security	**1,359**	1,391
Short-term borrowings from buyer	**(650)**	(650)
Overcollateralization	**709**	741

There was no net activity related to our accounts receivable securitization program for the years ended December 31, 2019 and 2018.

We continue to service and retain substantially all of the risks and rewards relating to the accounts receivable we sell, and therefore, the receivables remain recognized on our Consolidated Statements of Financial Position and the funding received is recognized as short-term borrowings. The buyer's interest in these trade receivables ranks ahead of our interest. The program restricts us from using the receivables as collateral for any other purpose. The buyer of our trade receivables has no claim on any of our other assets.

US COMMERCIAL PAPER PROGRAM

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. Borrowings under our US CP program are classified as short-term borrowings on our Consolidated Statements of Financial Position when they are due within one year from the date of the financial statements.

Below is a summary of the activity relating to our US CP program for the years ended December 31, 2019 and 2018.

	Year ended December 31, 2019			Year ended December 31, 2018		
(In millions of dollars, except exchange rates)	Notional (US$)	Exchange rate	Notional (Cdn$)	Notional (US$)	Exchange rate	Notional (Cdn$)
US commercial paper, beginning of year	**1,177**	**1.364**	**1,605**	746	1.253	935
Net proceeds received from US commercial paper	**21**	**1.571**	**33**	404	1.257	508
Discounts on issuance [1]	**25**	**1.320**	**33**	27	1.333	36
(Gain) loss on foreign exchange [1]			**(83)**			126
US commercial paper, end of year	**1,223**	**1.298**	**1,588**	1,177	1.364	1,605

[1] Included in finance costs.

Concurrent with the US CP borrowings, we entered into debt derivatives to hedge the foreign currency risk associated with the principal and interest components of the borrowings under the US CP program (see note 17). We have not designated these debt derivatives as hedges for accounting purposes.

NON-REVOLVING CREDIT FACILITY

On April 1, 2019, we entered into a new US$2.2 billion ($2.9 billion) non-revolving credit facility. Subsequently, we borrowed US$420 million ($561 million) and repaid US$420 million ($564 million) on this facility. Concurrent with the borrowings, we entered into debt derivatives to hedge the foreign currency risk associated with the borrowings under the non-revolving credit facility. We did not designate these debt derivatives as hedges for accounting purposes. On May 3, 2019, we cancelled the non-revolving credit facility.

NOTE 20: PROVISIONS

ACCOUNTING POLICY

Decommissioning and restoration costs

We use network and other assets on leased premises in some of our business activities. We expect to exit these premises in the future and we therefore make provisions for the costs associated with decommissioning the assets and restoring the locations to their original conditions when we have a legal or constructive obligation to do so. We calculate these costs based on a current estimate of the costs that will be incurred, project those costs into the future based on management's best

estimates of future trends in prices, inflation, and other factors, and discount them to their present value. We revise our forecasts when business conditions or technological requirements change.

When we recognize a decommissioning liability, we recognize a corresponding asset in property, plant and equipment (as property, plant and equipment or a right-of-use asset, as applicable based on the underlying asset) and depreciate the asset based on the corresponding asset's useful life following our depreciation policies for property, plant and equipment and right-of-use assets, as applicable. We recognize the accretion of the liability as a charge to finance costs on the Consolidated Statements of Income.

Restructuring
We make provisions for restructuring when we have approved a detailed and formal restructuring plan and either the restructuring has started or management has announced the plan's main features to the employees affected by it. Restructuring obligations that have uncertain timing or amounts are recognized as provisions; otherwise they are recognized as accrued liabilities. All charges are recognized in restructuring, acquisition and other on the Consolidated Statements of Income (see note 10).

Onerous contracts
We make provisions for onerous contracts when the unavoidable costs of meeting our obligation under a contract exceed the benefits we expect to realize from it. We measure these provisions at the present value of the lower of the expected cost of terminating the contract or the expected cost of continuing with the contract. We recognize any impairment loss on the assets associated with the contract before we make the provision.

USE OF ESTIMATES AND JUDGMENTS

ESTIMATES

We recognize a provision when a past event creates a legal or constructive obligation that can be reasonably estimated and is likely to result in an outflow of economic resources. We recognize a provision even when the timing or amount of the obligation may be uncertain, which can require us to use significant estimates.

JUDGMENTS

Significant 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.

EXPLANATORY INFORMATION

(In millions of dollars)	Decommissioning Liabilities	Other	Total
December 31, 2018	36	3	39
Adjustments to existing provisions	7	—	7
Amounts used	(2)	—	(2)
December 31, 2019	41	3	44
Current (recorded in "other current liabilities")	7	1	8
Long-term	34	2	36

Decommissioning and restoration costs
Cash outflows associated with our decommissioning liabilities are generally expected to occur at the decommissioning dates of the assets to which they relate, which are long-term in nature. The timing and extent of restoration work that will ultimately be required for these sites is uncertain.

NOTE 21: LONG-TERM DEBT

(In millions of dollars, except interest rates)	Due date		Principal amount	Interest rate	As at December 31 2019	2018
Senior notes	2019		400	2.800%	**—**	400
Senior notes	2019		500	5.380%	**—**	500
Senior notes	2020		900	4.700%	**—**	900
Senior notes	2021		1,450	5.340%	**1,450**	1,450
Senior notes	2022		600	4.000%	**600**	600
Senior notes	2023	US	500	3.000%	**649**	682
Senior notes	2023	US	850	4.100%	**1,104**	1,160
Senior notes	2024		600	4.000%	**600**	600
Senior notes	2025	US	700	3.625%	**909**	955
Senior notes	2026	US	500	2.900%	**649**	682
Senior notes	2029		1,000	3.250%	**1,000**	—
Senior debentures [1]	2032	US	200	8.750%	**260**	273
Senior notes	2038	US	350	7.500%	**455**	478
Senior notes	2039		500	6.680%	**500**	500
Senior notes	2040		800	6.110%	**800**	800
Senior notes	2041		400	6.560%	**400**	400
Senior notes	2043	US	500	4.500%	**649**	682
Senior notes	2043	US	650	5.450%	**844**	887
Senior notes	2044	US	1,050	5.000%	**1,365**	1,433
Senior notes	2048	US	750	4.300%	**973**	1,022
Senior notes	2049	US	1,250	4.350%	**1,624**	—
Senior notes	2049	US	1,000	3.700%	**1,299**	—
					16,130	14,404
Deferred transaction costs and discounts					**(163)**	(114)
Less current portion					**—**	(900)
Total long-term debt					**15,967**	13,390

[1] Senior debentures originally issued by Rogers Cable Inc. which are unsecured obligations of RCI and for which RCCI was an unsecured guarantor as at December 31, 2019 and 2018.

Each of the above senior notes and debentures are unsecured and, as atDecember 31, 2019, were guaranteed by RCCI, ranking equally with all of RCI's other senior notes, debentures, bank credit facilities, and letter of credit facilities. We use derivatives to hedge the foreign exchange risk associated with the principal and interest components of all of our US dollar-denominated senior notes and debentures (see note 17).

The tables below summarize the activity relating to our long-term debt for the years ended December 31, 2019 and 2018.

	Year ended December 31, 2019			Year ended December 31, 2018		
(In millions of dollars, except exchange rates)	Notional (US$)	Exchange rate	Notional (Cdn$)	Notional (US$)	Exchange rate	Notional (Cdn$)
Credit facility borrowings (US$)	—	—	—	125	1.257	157
Credit facility repayments (US$)	—	—	—	(125)	1.256	(157)
Net borrowings under credit facilities			—			—
Senior note issuances (Cdn$)			**1,000**			—
Senior note issuances (US$)	**2,250**	**1.326**	**2,984**	750	1.251	938
Total senior note issuances			**3,984**			938
Senior note repayments (Cdn$)			**(1,800)**			—
Senior note repayments (US$)	—	—	—	(1,400)	1.258	(1,761)
Total senior note repayments			**(1,800)**			(1,761)
Net issuance (repayment) of senior notes			**2,184**			(823)
Net issuance (repayment) of long-term debt			**2,184**			(823)

	Years ended December 31	
(In millions of dollars)	**2019**	2018
Long-term debt net of transaction costs, beginning of year	**14,290**	14,448
Net issuance (repayment) of long-term debt	**2,184**	(823)
(Gain) loss on foreign exchange	**(458)**	672
Deferred transaction costs incurred	**(61)**	(18)
Amortization of deferred transaction costs	**12**	11
Long-term debt net of transaction costs, end of year	**15,967**	14,290

WEIGHTED AVERAGE INTEREST RATE
As at December 31, 2019, our effective weighted average interest rate on all debt and short-term borrowings, including the effect of all of the associated debt derivatives and bond forwards, was 4.30% (2018 - 4.45%).

BANK CREDIT AND LETTER OF CREDIT FACILITIES
Our $3.2 billion revolving credit facility is available on a fully revolving basis until maturity and there are no scheduled reductions prior to maturity. The interest rate charged on borrowings from the revolving credit facility ranges from nil to 1.25% per annum over the bank prime rate or base rate, or 0.85% to 2.25% over the bankers' acceptance rate or London Inter-Bank Offered Rate.

In 2018, we amended our revolving credit facility to, among other things, extend the maturity date of the $2.5 billion tranche from March 2022 to September 2023 and to extend the maturity date on the $700 million tranche from March 2020 to September 2021.

As at December 31, 2019, we had available liquidity of $1.6 billion (2018 - $1.6 billion) under our $3.3 billion bank and letter of credit facilities (2018 - $4.2 billion), of which we had utilized $0.1 billion (2018 - $1.0 billion) for letters of credit and reserved $1.6 billion to backstop amounts outstanding under our US CP program borrowings (2018 - $1.6 billion).

SENIOR NOTES AND DEBENTURES
We pay interest on all of our fixed-rate senior notes and debentures on a semi-annual basis.

We have the option to redeem each of our fixed-rate senior notes and debentures, in whole or in part, at any time, if we pay the premiums specified in the corresponding agreements.

Issuance of senior notes
Below is a summary of the senior notes that we issued in 2019 and 2018.

(In millions of dollars, except interest rates and discounts)							
Date issued		Principal amount	Due date	Interest rate	Discount/ premium at issuance	Total gross proceeds [1] (Cdn$)	Transaction costs and discounts [2] (Cdn$)
2019 issuances							
April 30, 2019		1,000	2029	3.250%	99.746%	1,000	7
April 30, 2019	US	1,250	2049	4.350%	99.667%	1,676	20
November 12, 2019	US	1,000	2049	3.700%	98.926%	1,308	25
2018 issuances							
February 8, 2018	US	750	2048	4.300%	99.398%	938	16

1 Gross proceeds before transaction costs and discounts.
2 Transaction costs and discounts 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.

Concurrent with the 2019 and 2018 US dollar-denominated issuances, we entered into debt derivatives to convert all interest and principal payment obligations to Canadian dollars (see note 17).

Repayment of senior notes and related derivative settlements
Below is a summary of the repayment of our senior notes during 2019 and 2018. There were no debt derivatives associated with the 2019 repayments. The associated debt derivatives for the 2018 repayment were settled at time of repayment.

(In millions of dollars)		
Maturity date	Notional amount (US$)	Notional amount (Cdn$)
2019 repayments		
March 2019	—	400
November 2019	—	500
September 2020, repaid November 2019	—	900
Total 2019 repayments	—	1,800
2018 repayments		
August 2018, repaid April 2018	1,400	1,761

In November 2019, we repaid the entire outstanding principal amount of our $900 million 4.7% senior notes otherwise due in September 2020. For the year ended December 31, 2019, we recognized a $19 million loss on repayment of long-term debt reflecting our obligation to pay redemption premiums upon repayment (see note 11).

In April 2018, we repaid the entire outstanding principal amount of our US$1.4 billion ($1.8 billion) 6.8% senior notes otherwise due in August 2018. At the same time, the associated debt derivatives were settled for net proceeds received of $326 million. As a result, we repaid a net amount of $1.5 billion, including settlement of the associated debt derivatives, which was separately funded through our US CP program and our bank credit facility. For the year ended December 31, 2018, we recognized a $28 million loss on repayment of long-term debt reflecting our obligation to pay redemption premiums upon repayment (see note 11).

PRINCIPAL REPAYMENTS
Below is a summary of the principal repayments on our long-term debt due in each of the next five years and thereafter as at December 31, 2019.

(In millions of dollars)	
2020	—
2021	1,450
2022	600
2023	1,753
2024	600
Thereafter	11,727
Total long-term debt	16,130

TERMS AND CONDITIONS
As at December 31, 2019 and 2018, we were in compliance with all financial covenants, financial ratios, and all of the terms and conditions of our long-term debt agreements. There were no financial leverage covenants in effect other than those under our bank credit and letter of credit facilities.

The 8.75% debentures due in 2032 contain debt incurrence tests and restrictions on additional investments, sales of assets, and payment of dividends, all of which are suspended in the event the public debt securities are assigned investment-grade ratings by at least two of three specified credit rating agencies. As at December 31, 2019, these public debt securities were assigned an investment-grade rating by each of the three specified credit rating agencies and, accordingly, these restrictions have been suspended as long as the investment-grade ratings are maintained. Our other senior notes do not have any of these restrictions, regardless of the related credit ratings. The repayment dates of certain debt agreements can also be accelerated if there is a change in control of RCI.

NOTE 22: OTHER LONG-TERM LIABILITIES

		As at December 31	
(In millions of dollars)	Note	**2019**	2018
Deferred pension liability	*23*	**465**	373
Supplemental executive retirement plan	*23*	**73**	67
Stock-based compensation	*25*	**47**	66
Other		**29**	40
Total other long-term liabilities		**614**	546

NOTE 23: POST-EMPLOYMENT BENEFITS

ACCOUNTING POLICY

Post-employment benefits - defined benefit pension plans
We offer contributory and non-contributory defined benefit pension plans that provide employees with a lifetime monthly pension on retirement.

We separately calculate our net obligation for each defined benefit pension plan by estimating the amount of future benefits employees have earned in return for their service in the current and prior years and discounting those benefits to determine their present value.

We accrue our pension plan obligations as employees provide the services necessary to earn the pension. We use a discount rate based on market yields on high-quality corporate bonds at the measurement date to calculate the accrued pension benefit obligation. Remeasurements of the accrued pension benefit obligation are determined at the end of the year and include actuarial gains and losses, returns on plan assets, and any change in the effect of the asset ceiling. These are recognized in other comprehensive income and retained earnings.

The cost of pensions is actuarially determined and takes into account the following assumptions and methods for pension accounting related to our defined benefit pension plans:
- expected rates of salary increases for calculating increases in future benefits;
- mortality rates for calculating the life expectancy of plan members; and
- past service costs from plan amendments are immediately expensed in net income.

We recognize our net pension expense for our defined benefit pension plans and contributions to defined contribution plans as an employee benefit expense in operating costs on the Consolidated Statements of Income in the periods the employees provide the related services.

Post-employment benefits - defined contribution pension plan
In 2016, we closed the defined benefit pension plans to new members and introduced a defined contribution pension plan. This change did not impact current defined benefit members at the time; any employee enrolled in any of the defined benefit pension plans at that date continues to earn pension benefits and credited service in their respective plan.

We recognize a pension expense in relation to our contributions to the defined contribution pension plan when the employee provides service to the Company.

Termination benefits
We recognize termination benefits as an expense when we are committed to a formal detailed plan to terminate employment before the normal retirement date and it is not realistic that we will withdraw it.

USE OF ESTIMATES AND JUDGMENTS

ESTIMATES

Detailed below are the significant assumptions used in the actuarial calculations used to determine the amount of the defined benefit pension obligation and related expense.

Significant estimates are involved in determining pension-related balances. Actuarial estimates are based on projections of employees' compensation levels at the time of retirement. Retirement benefits are primarily based on career average earnings, subject to certain adjustments. The most recent actuarial valuations were completed as at January 1, 2019.

Principal actuarial assumptions

	2019	2018
Weighted average of significant assumptions:		
Defined benefit obligation		
Discount rate	**3.2%**	3.9%
Rate of compensation increase	**1.0% to 4.5%, based on employee age**	1.0% to 4.5%, based on employee age
Mortality rate	**CIA Private with CPM B Scale**	CIA Private with CPM B scale
Pension expense		
Discount rate	**3.9%**	3.7%
Rate of compensation increase	**1.0% to 4.5%, based on employee age**	3.0%
Mortality rate	**CIA Private with CPM B Scale**	CIA Private with CPM B scale

Sensitivity of key assumptions

In the sensitivity analysis shown below, we determine the defined benefit obligation for our funded plans using the same method used to calculate the defined benefit obligation we recognize on the Consolidated Statements of Financial Position. We calculate sensitivity by changing one assumption while holding the others constant. This leads to limitations in the analysis as the actual change in defined benefit obligation will likely be different from that shown in the table, since it is likely that more than one assumption will change at a time, and that some assumptions are correlated.

	Increase (decrease) in accrued benefit obligation	
(In millions of dollars)	**2019**	2018
Discount rate		
Impact of 0.5% increase	**(233)**	(196)
Impact of 0.5% decrease	**266**	224
Rate of future compensation increase		
Impact of 0.25% increase	**17**	16
Impact of 0.25% decrease	**(17)**	(16)
Mortality rate		
Impact of 1 year increase	**61**	47
Impact of 1 year decrease	**(64)**	(50)

EXPLANATORY INFORMATION

We sponsor a number of contributory and non-contributory pension arrangements for employees, including defined benefit and defined contributions plans. We do not provide any non-pension post-retirement benefits. We also provide unfunded supplemental pension benefits to certain executives.

The Rogers Defined Benefit Pension Plan provides a defined pension based on years of service and earnings, with no increases in retirement for inflation. The plan was closed to new members in 2016. Participation in the plan was voluntary and enrolled employees are required to make regular contributions into the plan. An unfunded supplemental pension plan is provided to certain senior executives to provide benefits in excess of amounts that can be provided from the defined benefit pension plan under the Income Tax Act (Canada)'s maximum pension limits.

We also sponsor smaller defined benefit pension plans in addition to the Rogers Defined Benefit Pension Plan. The Pension Plan for Employees of Rogers Communications Inc. and the Rogers Pension Plan for Selkirk Employees are closed legacy defined benefit pension plans. The Pension Plan for Certain Federally Regulated Employees of Rogers Cable Communications

Inc. is similar to the main pension plan but only federally regulated employees from the Cable business were eligible to participate; this plan was closed to new members in 2016.

In addition to the defined benefit pension plans, we provide various defined contribution plans to certain groups of employees of the Company and to employees hired after March 31, 2016 who choose to join. Additionally, we provide other tax-deferred savings arrangements, including a Group RRSP and a Group TFSA program, which are accounted for as deferred contribution arrangements.

During the year ended December 31, 2019, we amended certain of our defined benefit pension plans and recognized a $21 million reduction in past service cost (2018 - $43 million), which was recorded as a reduction of pension expense, included in "operating costs" in the Consolidated Statements of Income.

The Pension Committee of the Board oversees the administration of our registered pension plans, which includes the following principal areas:

- overseeing the funding, administration, communication, and investment management of the plans;
- selecting and monitoring the performance of all third parties performing duties in respect of the plans, including audit, actuarial, and investment management services;
- proposing, considering, and approving amendments to the plans;
- proposing, considering, and approving amendments to the Statement of Investment Policies and Procedures;
- reviewing management and actuarial reports prepared in respect of the administration of the pension plans; and
- reviewing and approving the audited financial statements of the pension plan funds.

The assets of the defined benefit pension plans are held in segregated accounts that are isolated from our assets. They are invested and managed following all applicable regulations and the Statement of Investment Policies and Procedures with the objective of having adequate funds to pay the benefits promised by the plans. Investment and market return risk is managed by:

- contracting professional investment managers to execute the investment strategy following the Statement of Investment Policies and Procedures and regulatory requirements;
- specifying the kinds of investments that can be held in the plans and monitoring compliance;
- using asset allocation and diversification strategies; and
- purchasing annuities from time to time.

The defined benefit pension plans are registered with the Office of the Superintendent of Financial Institutions and are subject to the Federal Pension Benefits Standards Act. Two of the defined contribution pension plans are registered with the Financial Services Regulatory Authority, subject to the Ontario Pension Benefits Act. The plans are also registered with the Canada Revenue Agency and are subject to the Income Tax Act (Canada). The benefits provided under the plans and the contributions to the plans are funded and administered in accordance with all applicable legislation and regulations.

The defined benefit pension plans are subject to certain risks related to contribution increases, inadequate plan surplus, unfunded obligations, and market rates of return, which we mitigate through the governance described above. Any significant changes to these items may affect our future cash flows.

Below is a summary of the estimated present value of accrued plan benefits and the estimated market value of the net assets available to provide these benefits for our funded plans.

		As at December 31	
(In millions of dollars)	*Note*	**2019**	2018
Plan assets, at fair value		**2,449**	1,965
Accrued benefit obligations		**(2,900)**	(2,330)
Net deferred pension liability		**(451)**	(365)
Consists of:			
Deferred pension asset		**14**	8
Deferred pension liability	*22*	**(465)**	(373)
Net deferred pension liability		**(451)**	(365)

Below is a summary of our pension fund assets.

	Years ended December 31	
(In millions of dollars)	**2019**	2018
Plan assets, beginning of year	**1,965**	1,890
Interest income	**81**	73
Remeasurements, recognized in other comprehensive income and equity	**277**	(114)
Contributions by employees	**36**	39
Contributions by employer	**179**	148
Benefits paid	**(86)**	(68)
Administrative expenses paid from plan assets	**(3)**	(3)
Plan assets, end of year	**2,449**	1,965

Below is a summary of the accrued benefit obligations arising from funded obligations.

	Years ended December 31	
(In millions of dollars)	**2019**	2018
Accrued benefit obligations, beginning of year	**2,330**	2,342
Current service cost	**121**	143
Past service recovery	**(21)**	(43)
Interest cost	**89**	85
Benefits paid	**(86)**	(68)
Contributions by employees	**36**	39
Remeasurements, recognized in other comprehensive income and equity	**431**	(168)
Accrued benefit obligations, end of year	**2,900**	2,330

Plan assets are comprised mainly of pooled funds that invest in common stocks and bonds that are traded in an active market. Below is a summary of the fair value of the total pension plan assets by major category.

	As at December 31	
(In millions of dollars)	**2019**	2018
Equity securities	**1,472**	1,149
Debt securities	**967**	810
Other - cash	**10**	6
Total fair value of plan assets	**2,449**	1,965

Below is a summary of our net pension expense. Net interest cost is included in finance costs; other pension expenses are included in salaries and benefits expense in operating costs on the Consolidated Statements of Income.

	Years ended December 31	
(In millions of dollars)	**2019**	2018
Plan cost:		
Current service cost	**121**	143
Past service recovery	**(21)**	(43)
Net interest cost	**8**	12
Net pension expense	**108**	112
Administrative expense	**4**	4
Total pension cost recognized in net income	**112**	116

Net interest cost, a component of the plan cost above, is included in finance costs and is outlined as follows:

	Years ended December 31	
(In millions of dollars)	**2019**	2018
Interest income on plan assets	**(81)**	(73)
Interest cost on plan obligation	**89**	85
Net interest cost, recognized in finance costs	**8**	12

The remeasurement recognized in the Consolidated Statements of Comprehensive Income is determined as follows:

	Years ended December 31	
(In millions of dollars)	**2019**	2018
Return (loss) on plan assets (excluding interest income)	**277**	(114)
Change in financial assumptions	**(401)**	158
Change in demographic assumptions	**—**	(10)
Effect of experience adjustments	**(30)**	20
Remeasurement (loss) gain, recognized in other comprehensive income and equity	**(154)**	54

We also provide supplemental unfunded defined benefit pensions to certain executives. Below is a summary of our accrued benefit obligations, pension expense included in employee salaries and benefits, net interest cost, remeasurements, and benefits paid.

	Years ended December 31	
(In millions of dollars)	**2019**	2018
Accrued benefit obligation, beginning of year	**67**	66
Pension expense, recognized in employee salaries and benefits expense	**2**	2
Net interest cost, recognized in finance costs	**3**	2
Remeasurements, recognized in other comprehensive income	**5**	1
Benefits paid	**(4)**	(4)
Accrued benefit obligation, end of year	**73**	67

We also have defined contribution plans with total pension expense of $12 million in 2019 (2018 - $8 million), which is included in employee salaries and benefits expense.

ALLOCATION OF PLAN ASSETS

	Allocation of plan assets		
	2019	2018	Target asset allocation percentage
Equity securities:			
Domestic	**12.0%**	11.8%	8% to 18%
International	**48.1%**	46.7%	37% to 67%
Debt securities	**39.5%**	41.2%	25% to 45%
Other - cash	**0.4%**	0.3%	0% to 2%
Total	**100.0%**	100.0%	

Plan assets consist primarily of pooled funds that invest in common stocks and bonds. The pooled funds have investments in our equity securities. As a result, approximately $10 million (2018 - $5 million) of plan assets are indirectly invested in our own securities under our defined benefit plans.

We make contributions to the plans to secure the benefits of plan members and invest in permitted investments using the target ranges established by our Pension Committee, which reviews actuarial assumptions on an annual basis.

Below is a summary of the actual contributions to the plans.

(In millions of dollars)	Years ended December 31 2019	2018
Employer contribution	**179**	148
Employee contribution	**36**	39
Total contribution	**215**	187

We estimate our 2020 employer contributions to our funded plans to be $145 million. The actual value will depend on the results of the 2020 actuarial funding valuations. The average duration of the defined benefit obligation as at December 31, 2019 is 17 years (2018 - 18 years).

Plan assets recognized an actual net gain of $355 million in 2019 (2018 - $44 million net loss).

We have recognized a cumulative loss in other comprehensive income and retained earnings of $503 million as at December 31, 2019 (2018 - $384 million) associated with post-retirement benefit plans.

NOTE 24: SHAREHOLDERS' EQUITY

CAPITAL STOCK

Share class	Number of shares authorized for issue	Features	Voting rights
Preferred shares	400,000,000	• Without par value • Issuable in series, with rights and terms of each series to be fixed by the Board prior to the issue of any series	• None
RCI Class A Voting Shares	112,474,388	• Without par value • Each share can be converted into one Class B Non-Voting share	• Each share entitled to 50 votes
RCI Class B Non-Voting Shares	1,400,000,000	• Without par value	• None

RCI's Articles of Continuance under the Business Corporations Act (British Columbia) impose restrictions on the transfer, voting, and issue of Class A Shares and Class B Non-Voting Shares to ensure we remain qualified to hold or obtain licences required to carry on certain of our business undertakings in Canada. We are authorized to refuse to register transfers of any of our shares to any person who is not a Canadian, as defined in RCI's Articles of Continuance, in order to ensure that Rogers remains qualified to hold the licences referred to above.

DIVIDENDS

We declared and paid the following dividends on our outstanding Class A Shares and Class B Non-Voting Shares:

Date declared	Date paid	Dividend per share (dollars)
January 24, 2019	April 1, 2019	0.50
April 18, 2019	July 2, 2019	0.50
June 5, 2019	October 1, 2019	0.50
October 23, 2019	January 2, 2020	0.50
		2.00
January 25, 2018	April 3, 2018	0.48
April 19, 2018	July 3, 2018	0.48
August 15, 2018	October 3, 2018	0.48
October 19, 2018	January 3, 2019	0.48
		1.92

The holders of Class A Shares are entitled to receive dividends at the rate of up to five cents per share but only after dividends at the rate of five cents per share have been paid or set aside on the Class B Non-Voting Shares. Class A Shares and Class B Non-Voting Shares therefore participate equally in dividends above $0.05 per share.

On January 22, 2020, 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 1, 2020, to shareholders of record on March 10, 2020.

NORMAL COURSE ISSUER BID

In April 2019, the TSX accepted a notice of our intention to commence a normal course issuer bid (NCIB) program (2019 NCIB) that allows us to purchase, during the twelve-month period beginning April 24, 2019 and ending April 23, 2020, the lesser of 35.7 million Class B Non-Voting Shares and that number of Class B Non-Voting Shares that can be purchased under the 2019 NCIB for an aggregate purchase price of $500 million. RCI security holders may obtain a copy of this notice, without charge, by contacting us.

In April 2018, the TSX accepted a notice of our intention to commence a NCIB program (2018 NCIB) that allowed us to purchase, during the twelve-month period beginning April 24, 2018 and ending April 23, 2019, the lesser of 35.8 million Class B Non-Voting Shares and that number of Class B Non-Voting Shares that could be purchased under the NCIB for an aggregate purchase price of $500 million. We did not repurchase any shares during the year ended December 31, 2018.

In 2019, we purchased 9.9 million shares under our NCIB programs for $655 million. Pursuant to the 2019 NCIB, we repurchased for cancellation 7.7 million Class B Non-Voting Shares for $500 million, thereby purchasing the maximum allowed under the 2019 NCIB. In 2019, pursuant to the 2018 NCIB, we repurchased for cancellation 2.2 million Class B Non-Voting Shares for $155 million.

NOTE 25: STOCK-BASED COMPENSATION

ACCOUNTING POLICY

Stock option plans

Cash-settled share appreciation rights (SARs) are attached to all stock options granted under our employee stock option plan. This feature allows the option holder to choose to receive a cash payment equal to the intrinsic value of the option (the amount by which the market price of the Class B Non-Voting Share exceeds the exercise price of the option on the exercise date) instead of exercising the option to acquire Class B Non-Voting Shares. We classify all outstanding stock options with cash settlement features as liabilities and carry them at their fair value, determined using the Black-Scholes option pricing model or a trinomial option pricing model, depending on the nature of the share-based award. We remeasure the fair value of the liability each period and amortize it to operating costs using graded vesting, either over the vesting period or to the date an employee is eligible to retire (whichever is shorter).

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 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.

Employee share accumulation plan

Employees voluntarily participate in the share accumulation plan by contributing a specified percentage of their regular earnings. We match employee contributions up to a certain amount and recognize our contributions as a compensation expense in the year we make them. Expenses relating to the employee share accumulation plan are included in operating costs.

USE OF ESTIMATES AND JUDGMENTS

ESTIMATES

Significant management estimates are used to determine the fair value of stock options, RSUs, and DSUs.The table below shows the weighted average fair value of stock options granted during 2019 and 2018 and the principal assumptions used in applying the Black-Scholes model for non-performance-based options and trinomial option pricing models for performance-based options to determine their fair value at the grant date.

	Years ended December 31	
	2019	2018
Weighted average fair value	**$8.11**	$8.42
Risk-free interest rate	**1.9%**	1.7%
Dividend yield	**2.8%**	3.3%
Volatility of Class B Non-Voting Shares	**16.4%**	20.1%
Weighted average expected life	**5.5 years**	6.2 years
Weighted average time to vest	**n/a**	2.5 years
Weighted average time to expiry	**n/a**	10.0 years
Employee exit rate	**n/a**	4.9%
Suboptimal exercise factor	**n/a**	1.4
Lattice steps	**n/a**	50

n/a - no performance-based options were issued during the year ended December 31, 2019.

Volatility has been estimated based on the actual trading statistics of ourClass B Non-Voting Shares.

EXPLANATORY INFORMATION

Below is a summary of our stock-based compensation expense, which is included in employee salaries and benefits expense.

	Years ended December 31	
(In millions of dollars)	**2019**	2018
Stock options	**1**	17
Restricted share units	**47**	51
Deferred share units	**4**	30
Equity derivative effect, net of interest receipt	**18**	(33)
Total stock-based compensation expense	**70**	65

As at December 31, 2019, we had a total liability recognized at its fair value of$220 million (2018 - $252 million) related to stock-based compensation, including stock options, RSUs, and DSUs. The current portion of this is $173 million (2018 - $186 million) and is included in accounts payable and accrued liabilities. The long-term portion of this is $47 million (2018 - $66 million) and is included in other long-term liabilities (seenote 22).

The total intrinsic value of vested liabilities, which is the difference between the exercise price of the share-based awards and the trading price of theClass B Non-Voting Shares for all vested share-based awards, as at December 31, 2019 was $106 million (2018 - $112 million).

We paid $84 million in 2019 (2018 - $69 million) to holders of stock options, RSUs, and DSUs upon exercise using the cash settlement feature, representing a weighted average share price on the date of exercise of $70.97 (2018 - $61.84).

STOCK OPTIONS

Options to purchase ourClass B Non-Voting Shares on a one-for-one basis may be granted to our employees, directors, and officers by the Board or our Management Compensation Committee. There are 65 million options authorized under various plans; each option has a term ofseven to ten years. The vesting period is generally graded vesting over four years; however, the Management Compensation Committee may adjust the vesting terms on the grant date. The exercise price is equal to the fair market value of the Class B Non-Voting Shares, determined as the five-day average before the grant date as quoted on the TSX.

Performance options

We granted nil performance-based options to certain key executives in2019 (2018 - 439,435). These options vest on a graded basis overfour years provided that certain targeted stock prices are met on or after each anniversary date. As at December 31, 2019, we had1,068,776 performance options (2018 - 1,575,605) outstanding.

Summary of stock options
Below is a summary of the stock option plans, including performance options.

	Year ended December 31, 2019		Year ended December 31, 2018	
(In number of units, except prices)	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding, beginning of year	**2,719,612**	**$53.22**	2,637,890	$49.42
Granted	**1,179,160**	**$72.03**	850,700	$58.88
Exercised	**(743,977)**	**$46.56**	(679,706)	$45.20
Forfeited	**—**	**—**	(89,272)	$55.94
Outstanding, end of year	**3,154,795**	**$61.82**	2,719,612	$53.22
Exercisable, end of year	**993,645**	**$52.38**	1,059,590	$46.26

Below is a summary of the range of exercise prices, the weighted average exercise price, and the weighted average remaining contractual life as at December 31, 2019.

	Options outstanding			Options exercisable	
Range of exercise prices	Number outstanding	Weighted average remaining contractual life (years)	Weighted average exercise price	Number exercisable	Weighted average exercise price
$42.85 - $44.99	153,937	4.82	$44.24	153,937	$44.24
$45.00 - $49.99	506,011	4.67	$48.88	442,257	$48.73
$50.00 - $59.99	910,595	7.76	$58.10	265,564	$57.82
$60.00 - $64.99	415,057	7.72	$62.91	122,459	$62.82
$65.00 - $69.99	129,025	9.38	$66.21	9,428	$68.10
$70.00 - $73.00	1,040,170	8.90	$73.00	—	—
	3,154,795	7.56	$61.82	993,645	$52.38

Unrecognized stock-based compensation expense as at December 31, 2019 related to stock-option plans was $6 million (2018 - $8 million) and will be recognized in net income over the next four years as the options vest.

RESTRICTED SHARE UNITS
The RSU plan allows employees, directors, and officers to participate in the growth and development of Rogers. Under the terms of the plan, RSUs are issued to the participant and the units issued vest over a period of up to three years from the grant date.

On the vesting date, we will redeem all of the participants' RSUs in cash or by issuingone Class B Non-Voting Share for each RSU. We have reserved 4,000,000 Class B Non-Voting Shares for issue under this plan.

Performance RSUs
We granted 180,896 performance-based RSUs to certain key executives in2019 (2018 - 263,239). The number of units that vest and will be paidthree years from the grant date will be within 50% to 150% of the initial number granted based upon the achievement of certain annual and cumulative three-year non-market targets.

Summary of RSUs
Below is a summary of the RSUs outstanding, including performance RSUs.

	Years ended December 31	
(In number of units)	**2019**	2018
Outstanding, beginning of year	**2,218,925**	1,811,845
Granted and reinvested dividends	**1,013,900**	1,217,487
Exercised	**(582,314)**	(597,015)
Forfeited	**(177,737)**	(213,392)
Outstanding, end of year	**2,472,774**	2,218,925

Unrecognized stock-based compensation expense as at December 31, 2019 related to these RSUs was $56 million (2018 - $59 million) and will be recognized in net income over the next three years as the RSUs vest.

DEFERRED SHARE UNITS
The DSU plan allows directors, certain key executives, and other senior management to elect to receive certain types of compensation in DSUs. Under the terms of the plan, DSUs are issued to the participant and the units issued cliff vest over a period of up to three years from the grant date.

Performance DSUs
We granted 29,300 performance-based DSUs to certain key executives in 2019 (2018 - 40,269). The number of units that vest and may be redeemed by the holder three years from the grant date will be within 50% to 150% of the initial number granted based upon the achievement of certain annual and cumulative three-year non-market targets.

Summary of DSUs
Below is a summary of the DSUs outstanding, including performance DSUs.

	Years ended December 31	
(In number of units)	**2019**	2018
Outstanding, beginning of year	**2,004,440**	2,327,647
Granted and reinvested dividends	**110,003**	131,051
Exercised	**(348,285)**	(334,930)
Forfeited	**(24,274)**	(119,328)
Outstanding, end of year	**1,741,884**	2,004,440

Unrecognized stock-based compensation expense as at December 31, 2019 related to these DSUs was $1 million (2018 - $7 million) and will be recognized in net income over the next three years as the executive DSUs vest. All other DSUs are fully vested.

EMPLOYEE SHARE ACCUMULATION PLAN
Participation in the plan is voluntary. Employees can contribute up to 10% of their regular earnings through payroll deductions (up to an annual maximum contribution of $25 thousand). The plan administrator purchases Class B Non-Voting Shares on a monthly basis on the open market on behalf of the employee. At the end of each month, we make a contribution of 25% to 50% of the employee's contribution that month and the plan administrator uses this amount to purchase additional shares on behalf of the employee. We recognize our contributions made as a compensation expense.

Compensation expense related to the employee share accumulation plan was $51 million in 2019 (2018 - $46 million).

EQUITY DERIVATIVES
We have entered into equity derivatives to hedge a portion of our stock-based compensation expense (see note 17) and recognized an $18 million expense (2018 - $33 million recovery) in stock-based compensation expense for these derivatives.

NOTE 26: RELATED PARTY TRANSACTIONS

CONTROLLING SHAREHOLDER
Our ultimate controlling shareholder is the Rogers Control Trust (the Trust), which holds voting control of RCI. The beneficiaries of the Trust are members of the Rogers family. Certain directors of RCI represent the Rogers family.

We entered into certain transactions with private Rogers family holding companies controlled by the Trust. These transactions were recognized at the amount agreed to by the related parties and are subject to the terms and conditions of formal agreements approved by the Audit and Risk Committee. The totals received or paid were less than $1 million for each of 2019 and 2018.

TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

Key management personnel include the directors and our most senior corporate officers, who are primarily responsible for planning, directing, and controlling our business activities.

Compensation

Compensation expense for key management personnel included in "employee salaries, benefits, and stock-based compensation" was as follows:

	Years ended December 31	
(In millions of dollars)	**2019**	2018
Salaries and other short-term employee benefits	**15**	13
Post-employment benefits	**2**	2
Stock-based compensation [1]	**20**	18
Total compensation	**37**	33

[1] Stock-based compensation does not include the effect of changes in fair value of Class B Non-Voting Shares or equity derivatives.

Transactions

We have entered into business transactions with companies whose partners or senior officers are Directors of RCI. These directors are:

- The Hon. David R. Peterson, P.C., Q.C., the non-executive chairman emeritus of Cassels Brock and Blackwell LLP, a law firm that provides legal services to the Company; and
- Isabelle Marcoux, C.M., the chair of the board of Transcontinental Inc., a company that provides printing services to the Company.

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 are unsecured, interest-free, and due for payment in cash within one month of the date of the transaction. Below is a summary of related party activity for the business transactions described above.

	Years ended December 31		Outstanding balance as at December 31	
(In millions of dollars)	**2019**	2018	**2019**	2018
Printing and legal services [1]	**6**	13	**—**	—

[1] The amounts paid for legal services are nominal.

SUBSIDIARIES, ASSOCIATES, AND JOINT ARRANGEMENTS

We have the following material operating subsidiaries as at December 31, 2019 and 2018:

- Rogers Communications Canada Inc.; and
- Rogers Media Inc.

We have 100% ownership interest in these subsidiaries. They are incorporated in Canada and have the same reporting period for annual financial statements reporting.

When necessary, adjustments are made to conform the accounting policies of the subsidiaries to those of RCI. There are no significant restrictions on the ability of subsidiaries, joint arrangements, and associates to transfer funds to Rogers as cash dividends or to repay loans or advances, subject to the approval of other shareholders where applicable.

We carried out the following business transactions with our associates and joint arrangements, being primarily MLSE and Glentel. Transactions between us and our subsidiaries have been eliminated on consolidation and are not disclosed in this note.

	Years ended December 31	
(In millions of dollars)	**2019**	2018
Revenue	**69**	86
Purchases	**212**	197

Outstanding balances at year-end are unsecured, interest-free, and settled in cash.

	As at December 31	
(In millions of dollars)	**2019**	2018
Accounts receivable	**86**	99
Accounts payable and accrued liabilities	**24**	20

NOTE 27: GUARANTEES

We had the following guarantees as at December 31, 2019 and 2018 as part of our normal course of business:

BUSINESS SALE AND BUSINESS COMBINATION AGREEMENTS
As part of transactions involving business dispositions, sales of assets, or other business combinations, we may be required to pay counterparties for costs and losses incurred as a result of breaches of representations and warranties, intellectual property right infringement, loss or damages to property, environmental liabilities, changes in laws and regulations (including tax legislation), litigation against the counterparties, contingent liabilities of a disposed business, or reassessments of previous tax filings of the corporation that carries on the business.

SALES OF SERVICES
As part of transactions involving sales of services, we may be required to make payments to counterparties as a result of breaches of representations and warranties, changes in laws and regulations (including tax legislation), or litigation against the counterparties.

PURCHASES AND DEVELOPMENT OF ASSETS
As part of transactions involving purchases and development of assets, we may be required to pay counterparties for costs and losses incurred as a result of breaches of representations and warranties, loss or damages to property, changes in laws and regulations (including tax legislation), or litigation against the counterparties.

INDEMNIFICATIONS
We indemnify our directors, officers, and employees against claims reasonably incurred and resulting from the performance of their services to Rogers. We have liability insurance for our directors and officers and those of our subsidiaries.

No amount has been accrued in the Consolidated Statements of Financial Position relating to these types of indemnifications or guarantees as at December 31, 2019 or 2018. Historically, we have not made any significant payments under these indemnifications or guarantees.

NOTE 28: COMMITMENTS AND CONTINGENT LIABILITIES

ACCOUNTING POLICY
Contingent liabilities are liabilities of uncertain timing or amount and are not recognized until we have a present obligation as a result of a past event, it is probable that we will experience an outflow of resources embodying economic benefits to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

We disclose our contingent liabilities unless the possibility of an outflow of resources in settlement is remote.

USE OF ESTIMATES AND JUDGMENTS
JUDGMENTS
We are exposed to possible losses related to various claims and lawsuits against us for which the outcome is not yet known. We therefore make significant judgments in determining the probability of loss when we assess contingent liabilities.

EXPLANATORY INFORMATION

COMMITMENTS

Below is a summary of the future minimum payments for our contractual commitments that are not recognized as liabilities as at December 31, 2019.

(In millions of dollars)	Less than 1 Year	1-3 Years	4-5 Years	After 5 Years	Total
Player contracts [1]	95	108	45	—	248
Purchase obligations [2]	312	215	92	41	660
Program rights [3]	620	1,111	1,052	830	3,613
Total commitments	1,027	1,434	1,189	871	4,521

[1] Toronto Blue Jays players' salary contracts into which we have entered and are contractually obligated to pay.
[2] Contractual obligations under service, product, and wireless device contracts to which we have committed.
[3] Agreements into which we have entered to acquire broadcasting rights for programs and films for periods in excess of one year at contract inception.

Below is a summary of our other contractual commitments that are not included in the table above.

(In millions of dollars)	As at December 31 2019
Acquisition of property, plant and equipment	**200**
Acquisition of intangible assets	**63**
Commitments related to associates and joint ventures	**312**
Total other commitments	**575**

CONTINGENT LIABILITIES

We have the following contingent liabilities as at December 31, 2019:

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 services* (Order), the Canadian Radio-television and Telecommunications Commission (CRTC) set final rates for facilities-based carriers' wholesale high-speed access services, including Rogers' third-party Internet access (TPIA) service. The Order set final rates for Rogers that are significantly lower than the interim rates that were previously billed and it further determined that these final rates will apply retroactively to March 31, 2016.

We do not believe the final rates set by the CRTC are just and reasonable as required by the *Telecommunications Act* as we believe they are below cost. On September 13, 2019, Rogers, in conjunction with the other large Canadian cable companies (Cable Carriers), filed a motion for Leave to Appeal pursuant to Section 64(1) of the *Telecommunications Act* with the Federal Court of Appeal (Court) and an associated motion for an interlocutory Stay of the CRTC Order. On September 27, 2019, the Court granted an Interim Stay suspending the Order until the Court rules on the Cable Carriers' motion for an interlocutory Stay of the CRTC's Order pending the Court's determination of the Cable Carriers' motion for Leave to Appeal. On November 22, 2019, the Court granted Leave to Appeal and an interlocutory Stay of the CRTC Order. It is anticipated that the appeal will be heard in mid-2020 with a decision thereafter.

Due to the Court's granting of the interlocutory Stay and Leave to Appeal, and the significant uncertainty surrounding both the outcome and the amount, if any, we could ultimately have to repay to the resellers, we have not recorded a liability for this contingency at this time. The CRTC's order as drafted would have resulted in a refund of amounts previously billed to the resellers of approximately $150 million, representing the impact on a retroactive basis from March 31, 2016 to December 31, 2019. We estimate the ongoing impact would be approximately $11 million per quarter.

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.

Cellular devices
In July 2013, a class action was launched in British Columbia against providers of wireless communications in Canada and manufacturers of wireless devices. The class action relates to the alleged adverse health effects incurred by long-term users of cellular devices. The plaintiffs were seeking unspecified damages and punitive damages, effectively equal to the reimbursement of the portion of revenue the defendants have received that can reasonably be attributed to the sale of cellular phones in Canada. In March 2019, the plaintiffs discontinued the class action without any payment by Rogers.

Income taxes
We provide for income taxes based on all of the information that is currently available and believe that we have adequately provided for these items. The calculation of applicable taxes in many cases, however, requires significant judgment (see note 13) 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 and liabilities and provisions, and could, in certain circumstances, result in the assessment of interest and penalties.

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.

Outcome of proceedings
The outcome of all the proceedings and claims against us, including the matters described above, is subject to future resolution that includes the uncertainties of litigation. It is not possible for us to predict the result or magnitude of the claims due to the various factors and uncertainties involved in the legal process. Based on information currently known to us, we believe it is not probable that the ultimate resolution of any of these proceedings and claims, individually or in total, will have a material adverse effect on our business, financial results, or financial condition. If it becomes probable that we will be held liable for claims against us, 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.

NOTE 29: SUPPLEMENTAL CASH FLOW INFORMATION

CHANGE IN NON-CASH OPERATING WORKING CAPITAL ITEMS

	Years ended December 31	
(In millions of dollars)	**2019**	2018
Accounts receivable	**(174)**	(133)
Inventories	**7**	(31)
Other current assets	**(41)**	(6)
Accounts payable and accrued liabilities	**61**	103
Contract and other liabilities	**9**	(47)
Total change in non-cash operating working capital items	**(138)**	(114)

CAPITAL EXPENDITURES

	Years ended December 31	
(In millions of dollars)	**2019**	2018
Capital expenditures before proceeds on disposition	**2,845**	2,815
Proceeds on disposition	**(38)**	(25)
Capital expenditures	**2,807**	2,790