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

FORM 40-F

[Check one]

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

OR

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

For the fiscal year ended December 31, 2017

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	Name of each exchange on which registered
Class B Non-Voting	**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 (04-17)

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:

ý Annual information form ý 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.

112,407,192 Class A Voting shares; 402,403,433 Class B Non-Voting shares.

Indicate by check mark whether the Registrant by filing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934 (the "Exchange Act"). If "Yes" is marked, indicate the file number assigned to the Registrant in connection with such Rule.

o Yes ý No

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.

ý Yes **o** 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 **o**

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.

o

†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 78 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 79 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, 2017 on page 3 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 79 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 27 of the Company's Annual Information Form, attached as Exhibit 99.1 and incorporated by reference herein.

CODE OF CONDUCT AND ETHICS

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 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 2017 and 2016, and fees billed for other services rendered by KPMG LLP, during the period from January 1, 2016 to December 31, 2017.

	2017		2016	
Auditors' Fees	($)	%	($)	%
Audit Fees(1)	5,999,395	83.4%	5,337,800	76.2
Audit-Related Fees(2)	1,105,826	15.4%	996,420	14.2
Tax Fees(3)	78,352	1.1%	83,110	1.2
All Other Fees(4)	8,694	0.1%	590,107	8.4
Total	7,192,267	100.0%	7,007,437	100.0

NOTES:

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

For the year ended December 31, 2017, 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 Chairman 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 Chairman 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 68 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 68 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 four directors: Messrs. Burgess, 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 "*Ethical Business Conduct*" beginning on page 24 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 8th, 2018

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 8th, 2018

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, 2017
99.2	Management's Discussion and Analysis for the fiscal year ended December 31, 2017, filed with the Securities and Exchange Commission ("SEC") under cover of a Form 6-K dated March 8, 2018
99.3	Annual Audited Consolidated Financial Statements, together with the reports of independent registered public accounting firm, for the fiscal year ended December 31, 2017

† 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 consent to the use of:

- our report dated March 8, 2018 on the consolidated financial statements of Rogers Communications Inc. (the "Company") which comprise the consolidated statements of financial position of the Company as at December 31, 2017 and December 31, 2016, the 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, 2017, and notes, comprising a summary of significant accounting policies and other explanatory information; and

- our report dated March 8, 2018 on the effectiveness of the Company's internal control over financial reporting as of December 31, 2017,

each of which is included in this annual report on Form 40-F of the Company for the fiscal year ended December 31, 2017.

We also consent to the incorporation by reference of such reports in Registration Statement No. 333-209931 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 8, 2018
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 8, 2018

"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 8, 2018

"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 8, 2018

"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 8, 2018

"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, 2017 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 8, 2018

"Joe Natale"

Joe Natale
President and Chief Executive Officer

Date: March 8, 2018

"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, 2017 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 8, 2018

"Joe Natale"

Joe Natale
President and Chief Executive Officer

Date: March 8, 2018

"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, 2017)

March 8, 2018

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, 2017 (2017 MD&A) and Rogers Communications Inc.'s 2017 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 communications 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.

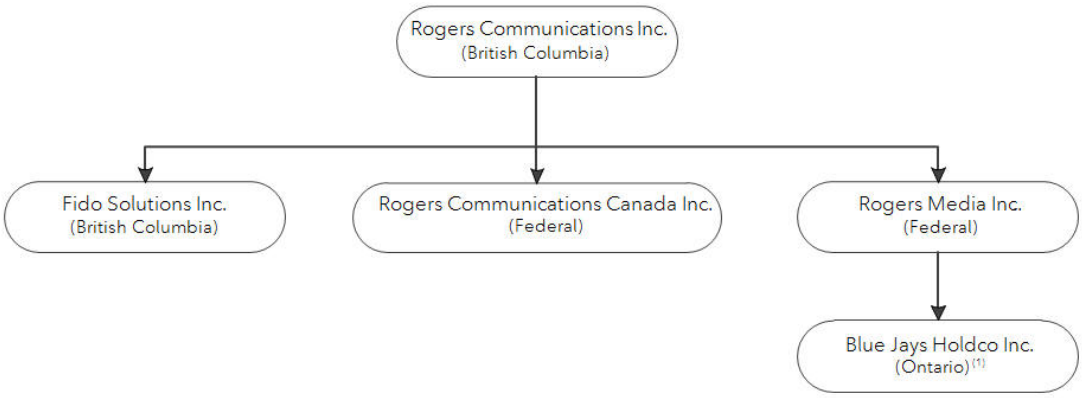
We, us, our, Rogers, Rogers Communications, and *the Company* refer to Rogers Communications Inc. and its subsidiaries. *RCI* refers to the legal entity Rogers Communications Inc., not including its subsidiaries. Rogers also holds interests in various investments and ventures.

FOUR REPORTING SEGMENTS
For the purposes of this AIF, we report our results of operations in four segments as at December 31, 2017:

Segment	Principal activities
Wireless	Wireless telecommunications operations for Canadian consumers and businesses.
Cable	Cable telecommunications operations, including Internet, television, and telephony (phone) services for Canadian consumers and businesses.
Business Solutions	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 enterprise, 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, digital media, and publishing.

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, 2018.



(1) 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, 2017, we had:

- approximately 10.5 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, 2017, we had:

- approximately 2.2 million high-speed Internet subscribers;
- approximately 1.7 million Television subscribers - approximately 30% of Canadian cable television subscribers;
- approximately 1.1 million Phone subscribers; and
- a network passing approximately 4.3 million homes in Ontario, New Brunswick, and on the island of Newfoundland.

Leading-Edge Wireline Telecom and Data Communications Services to Canadian Businesses

As at December 31, 2017, we:

- sold to enterprises and public sector;
- sold to other carriers on a wholesale basis;
- had 10,000 on-net fibre connected buildings; and
- had fibre passing close to an additional 25,500 near-net buildings.

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;
- digital media; and
- publishing.

PRODUCTS AND SERVICES

Wireless

Rogers is a Canadian leader in delivering a range of innovative wireless 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 and fixed high-speed Internet access;
- wireless voice and enhanced voice features;
- 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
- advanced wireless solutions for businesses.

Cable

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

With the forthcoming launch of Ignite TV, our new Cable Television product, we plan to reinvent how our customers experience TV. Ignite TV will deliver a high-value, premium service with advanced features and video experiences, along with a robust product roadmap of innovation leading to a truly connected home service. First on the innovation roadmap, we intend to adopt Comcast's new Digital Home solution. This whole-home networking solution will provide customers with a simple, fast, and intuitive way to control and manage their connected devices. The cloud-based platform will link to the new DOCSIS 3.1 Wi-Fi gateway devices to deliver fast, reliable connectivity in the home and will allow customers to easily add or pause devices, pair Wi-Fi extenders 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; 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, including starter and premium channel packages along with à la carte channels;
- on-demand television;
- personal video recorders (PVRs), including Whole Home PVRs and a 4K PVR;
- linear and time-shifted programming;
- digital specialty channels;
- 4K television programming, including all 2017 and 2018 regular season Toronto Blue Jays home games and select marquee NHL and National Basketball Association (NBA) games; and
- Rogers Anyplace TV, televised content delivered on smartphones, tablets, and personal computers.

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 wireless and cable access networks services for primary, bridging, and back-up connectivity.

Media
Our portfolio of Media assets 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 unprecedented coverage of professional hockey, with more than 1,200 regular season games per season streamed across television, smartphones, tablets, and the Internet, both through traditional streaming services as well as Rogers NHL LIVE. Our NHL Agreement also grants Rogers national rights on those platforms to the NHL 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 to Groupe TVA and the Canadian Broadcasting Corporation (CBC) and to use the Hockey Night In Canada brand through a sublicense agreement.

In Television, we operate several conventional and specialty television networks:
- Sportsnet's four regional stations, Sportsnet ONE, Sportsnet 360, and Sportsnet World;
- City network, which, together with affiliated stations, has broadcast distribution to approximately 85% of Canadian individuals;
- OMNI multicultural broadcast television stations, including OMNI Regional broadcast television stations, which provide multilingual newscasts nationally to all digital basic television subscribers;
- specialty channels that include FX (Canada), FXX (Canada), and Outdoor Life Network; and
- Today's Shopping Choice (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.

As part of our strategic change to focus on digital media, our services and products include:
- our digital sports-related assets, including Rogers NHL LIVE (formerly Rogers NHL GameCentre LIVE) and Sportsnet NOW;
- many well-known consumer brands, such as Maclean's, Chatelaine, Today's Parent, and Hello! Canada; and
- a broad digital presence that continues the extension of content across new and existing platforms.

Other
We offer the 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.

WIDESPREAD PRODUCT DISTRIBUTION

Wireless
We distribute our wireless products nationally using various channels, including:
- an extensive independent dealer network;
- company-owned Rogers, Fido, and chatr retail stores;
- 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;
- customer self-serve using rogers.com, fido.ca, chatrwireless.com, and e-commerce sites;
- our call centres; and
- outbound telemarketing.

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 call centres, outbound telemarketing, and door-to-door agents; and
- major retail chains.

Our sales team and third-party retailers sell services to the enterprise, 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

2018 Highlights to Date

- Declared a quarterly dividend of $0.48 per each outstanding Class A Voting Share and Class B Non-Voting Share in January 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.

2017 Highlights

For revenue and other financial information on the two most recently completed financial years, see the section entitled "2017 Financial Results" in our 2017 MD&A.

- Declared a quarterly dividend of $0.48 per each outstanding Class A Voting Share and Class B Non-Voting Share during 2017.

- We 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.

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.
- Announced we are tying 50% of our 2018 company-wide bonus plan to the achievement of certain customer metrics.

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 existing 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. See "Financial and Operating Guidance" for more information.

- Adjusted operating profit margin expansion of 80 basis points. This increase was primarily driven by Wireless, with a 50 basis point expansion, and Cable, with an 80 basis point expansion.

- Achieved our best annual Wireless service revenue growth and adjusted operating profit 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.

2016 Highlights

- Declared a quarterly dividend of $0.48 per each outstanding Class A Voting Share and Class B Non-Voting Share during 2016.

- Issued and fully hedged the foreign exchange risk on US$500 million ($671 million) ten-year 2.9% senior notes.

- Ended the year with approximately $2.7 billion of available liquidity, comprised of $2.4 billion available under our bank credit facilities and $0.25 billion available under our $1.05 billion accounts receivable securitization program.

Be a Strong Canadian Growth Company

- 100% achievement of our 2016 guidance on selected full-year metrics and achieved our best subscriber metrics in recent years.

Overhaul the Customer Experience

- Launched a number of tools and offerings with a focus on becoming a leader in self-serve options. We saw a 56% increase in self-serve transactions on the Rogers brand and a 9% increase on the Fido brand this year.

- Expanded Roam Like Home to over 100 destinations in Europe, Asia, Mexico, South America, and Latin America, further simplifying how Wireless consumers use the Internet, make calls, and send texts and e-mails. Customers have access to their Canadian plan features while traveling, all at a relatively low cost. Furthermore, we broadened the availability of Roam Like Home by making it available on most consumer Wireless plans.

- Introduced Fido Roam, allowing customers to use existing data, talk, and text from their Fido Pulse plans while traveling, for a low daily price. Fido Roam covers all of the US along with destinations in Europe, the Caribbean, South and Central America, the Middle East, Oceania, South Africa, and Asia.

- Launched Data Manager, a new tool that gives families the ability to manage their wireless data in real-time and provide worry-free control.

- Launched Rogers EnRoute and Fido EnRoute, tools that save our customers time by giving them the ability to track, in real-time, when a technician will arrive for an installation or service call.

- Launched DeviceAdvice and Message Me for our Fido customers. DeviceAdvice is a tool allowing customers to self-diagnose device issues and receive quick, personalized advice so they can maximize the performance of their device. Message Me allows customers to contact Fido customer representatives via Facebook Messenger on their mobile or desktop device.

- Launched Rogers Assist, an app that allows all Rogers employees to submit an issue to customer care on behalf of their friends, family, and acquaintances.

- Collaborated with a Canadian app creator that helps people with cognitive special needs, to create how-to videos for using a wireless device. Rogers.com now features five videos with easy-to-follow instructions and closed-captioning that explain how to perform key functions related to your Rogers wireless device like sending a text or picture, connecting to a Wi-Fi network, and making a phone call.

- Expanded our Connected for Success program to more communities across Ontario, New Brunswick, and island of Newfoundland. This program provides affordable Internet services to people that live in non-profit housing. This expansion more than doubled the number of eligible households across the country to up to 150,000.

- Released Rogers' 2016 Transparency Report, our annual report on 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.

Drive Growth in the Business Market

- Launched Rogers Unison, a new mobile solution that brings the features of a traditional landline office phone to one's mobile phone. We were the first telecommunications provider in North America to launch such a solution. This solution allows our customers to stay connected across multiple devices regardless of their location, allowing them to better serve their customers.

- Launched Rogers Public Cloud, a new data sovereign, cloud infrastructure as-a-service solution that lets businesses securely manage critical data, applications, servers, systems software, and network resources over the Internet.

- Launched Rogers Ignite Gigabit Internet to small business customers in Ontario, enabling them to leverage blazing-fast Internet speeds and unlimited data usage to improve productivity with faster file transfers, real-time data backup for business continuity, and high-quality video conferencing. The increased bandwidth also means businesses can connect more users online simultaneously, without compromising Internet performance.

- Announced certain Internet of Things (IoT) as-a-service offerings to simplify the process of managing complex IoT solutions. Two of the first solutions being offered as a service include Farm & Food Monitoring and Level Monitoring.

- Launched Business App Market, a new platform for small businesses to manage multiple cloud-based applications.

Invest in and Develop Our People

- Recognized again as a Top Employer for 2017 in November 2016 and as a Top Employer for Young People in January 2017 by the editors of Canada's Top 100 Employers.

- Selected as one of Canada's Best Diversity Employers for 2016 in a report released by Mediacorp Inc. in March 2016 for recognition of our efforts to promote diversity and inclusion in the workplace.

- Named one of Canada's Greenest Employers for 2016 by the editors of Canada's Top 100 Employers in April 2016, an award that recognizes employers with innovative environmental programs and earth-friendly policies that actively involve their employees.

- Named one of the 50 Best Corporate Citizens in Canada by Corporate Knights in June 2016, an award that recognizes employers that incorporate social, economic, and ecological benefits and costs in their normal course of business.

- Launched an intensive leadership program for more than 160 executives.

- Expanded our national onboarding program to include 1,400 call centre employees and launched a mobile onboarding solution for part-time employees.

- Continued to modernize our workplace to help us be more productive to better serve our customers.

Drive Compelling Content Everywhere

- For the second consecutive year, Sportsnet solidified its position as the destination for Canadian sports fans by closing out 2016 as Canada's number-one sports media brand. Sportsnet won eight months in 2016 and has widened the gap from its closest competitor with a 42% lead in average minute audience and a 39% lead in audience share. Sportsnet.ca reached an all-time high with 4.25 million unique visitors in October 2016, which beats our closest English-language competitor, and marks a 7% increase year on year. The 2016 Blue Jays regular season was the most-watched Blue Jays season in network history, reaching 20 million Canadians. In November 2016, Sportsnet delivered its largest World Series audience ever, with an average audience of 2.66 million viewers, which more than doubled Sportsnet's previous all-time most-watched World Series game. Furthermore, Sportsnet achieved great success with the World Cup of Hockey, with an average audience of 1.1 million viewers for the entire tournament, and reached 15.5 million Canadians throughout the tournament.

- Launched Sportsnet NOW, one of the first mainstream sports TV channels in North America to be available direct to consumers, as well as Sportsnet 4K, which delivered all regular season Toronto Blue Jays home games in 4K.

- Broadcasted the first live NBA, NHL, and MLB games in 4K.

- Introduced the new NextBox 4K PVR, giving customers the ability to record up to eight 4K programs at one time and store up to 90 hours of 4K entertainment.

- Successfully completed the second year of our exclusive 12-year national NHL Agreement while bringing the NHL to more Canadians than ever before. Rogers Hometown Hockey returned for a third season during the 2016-2017 NHL season with hockey festivities and entertainment.

- Continued our commitment to deliver world-class Canadian content by adding two new original scripted series to our City lineup, with the millennial-focused comedy *Second Jen* and drama *Bad Blood: The Vito Rizzuto Story.*

Focus on Innovation and Network Leadership

- Extended our Ignite Gigabit Internet coverage to cover Rogers' entire cable footprint, such that we offer the fastest widely available Internet speeds in our marketplace.

- Announced the long-term strategic partnership with Comcast Corporation (Comcast) to bring our customers a world-class IPTV service with the most advanced features available in the market today by deploying Comcast's X1 IP-based video platform.

- Extended our 700 MHz LTE network reach to 91% of Canada's population in 2016, compared to 78% in 2015. Extended our overall LTE network reach to 95% of Canada's population in 2016, compared to 93% in 2015.

- Installed a new suite of technology and enterprise solutions to enable the most connected arena in Canada, the Rogers Place in Edmonton.

Go to Market as One Rogers

- Successfully worked as one company, showing we can bring our entire team together to achieve our goals. We demonstrated this by bringing Rogers Hometown Hockey to 150,000 Canadians, introducing low-cost Internet for more community housing residents, and bringing viewers our strongest primetime lineup ever, while delivering a strong year of NHL and Sportsnet.

2015 Highlights

- Issued and fully hedged the foreign exchange risk on $1.3 billion of senior notes, consisting of US$700 million ten year 3.625% senior notes and US$300 million thirty year 5.00% senior notes.

- Increased our annualized dividend rate in January 2015 by 5% to $1.92 per Class A Voting Share and Class B Non-Voting Share and declared a quarterly dividend of $0.48 per each outstanding Class A Voting Share and Class B Non-Voting Share during 2015.

- Ended the year with approximately $3.3 billion of available liquidity, comprised of $0.01 billion cash on hand, $3.0 billion available under our bank credit facilities and $0.25 billion available under our $1.05 billion accounts receivable securitization program.

Overhaul the Customer Experience

- Expanded Roam Like Home to 75 countries with the addition of Mexico, the Caribbean, and South and Central America, further simplifying how our Wireless consumers use the Internet, make calls, and send texts and emails with their Rogers Share Everything plans.

- Reduced the number of customer complaints by more than 26% over the 12-month period ended July 31, 2015 according to the Commissioner for Complaints for Telecommunications Services (CCTS) December 2015 annual report. This builds off our customer complaint reduction of almost 32% for the prior 12-month period. As part of our strategic plan, we are committed to putting our customers first, and while our work is far from over, this report shows our focus on customers is paying off and we are heading in the right direction.

- Enhanced our Share Everything plans through the launch of new Share Everything+ plans. The new plans allowed customers to choose from one of three content experiences: Texture by Next Issue, shomi, or Spotify Premium.

- Introduced customer care on Facebook Messenger, a global first in the telecommunications industry. With the tap of a screen or the click of a mouse, customers can now contact Rogers in real-time on Messenger, an environment where millions of Canadians already spend time every day.

- Completed the purchase of a 50% interest in Glentel, previously Canada's largest independent multicarrier of wireless and wireline products with several hundred Canadian retail outlets.

- Launched Fido Home Internet in parts of Ontario, delivering simple, hassle-free plans and service that is easy to install and use. Customers can use their mobile phones to set up their connection so they do not have to wait for technicians to install their products.

- Launched a new Rogers Platinum MasterCard with features including cashback reward points on all transactions, low annual fees, and no foreign exchange transactions fees.

- Introduced a simplified customer bill for Rogers services, making it easier for customers to understand their spending and addressing the number one reason customers have historically called Rogers with questions. The new format makes usage details easier to understand, while creating a new layout and interactive graphical features so customers can more easily see how we calculated their bill. Our new bill is less complicated, is available across multiple platforms, and is an important step in our ongoing commitment to continuous improvement for our customers' experiences.

- Introduced a new Wireless Hardware Upgrade Program wherein customers now have the option to upgrade their wireless device online.

- Unveiled a new look and feel, improved search and navigation capabilities, and accelerated response times for our online Community Forums. More customers want self-serve and our Community Forums are one of many ways our customers will be able to get the information they need quickly and easily.

- Launched our Retail Academy, an employee training program designed to further enhance how we serve and support our customers in our branded retail stores. In addition, we started refreshing our brand at our national retail stores and transitioning certain other locations to a new design concept, which includes a connected Home Zone lounge where customers can experience Rogers Ignite Internet bundles and Smart Home Monitoring.

- Increased the speed and responsiveness of our rogers.com and fido.ca websites. In addition, we launched new, easier-to-navigate homepages and mobile-friendly product landing and promotion pages to provide customers with an improved digital experience.

- Enhanced and simplified our customer-facing Integrated Voice Response (IVR) system along with our technical support transfer process to minimize the customers' time from when they dial Rogers to when they talk to a live agent.

- Released Rogers' 2015 Transparency Report, our annual report on how we share customer information in response to requests from legal authorities.

Drive Growth in the Business Market

- Launched Managed Wi-Fi as a Service, a suite of services that gives business customers the ability to easily manage and monitor their network and performance from any location and tailor alerts by activity.

- Introduced "leapfrog" global cybersecurity solutions as a service to help protect Canadian businesses. Through a partnership with Trustwave Inc., a global leader in cybersecurity services, our new suite of cybersecurity solutions will give businesses access to a team of experts who will help them manage real-time monitoring of security events, proactively run cybersecurity diagnostics, and maintain their network infrastructure.

- Introduced Rogers Voice with Skype for Business, a cloud-based tool that lets businesses experience the commercial version of Skype with enhanced features and better communication with their teams, partners, and customers.

- Expanded our third Toronto data centre, doubling our available floor space capacity. This next generation data centre is 'Uptime Certified Tier III' for design and construction, providing customers with best-in-class uptime guarantees for their

mission-critical applications.

- Deployed the GSMA Embedded SIM Specification of the M2M World Alliance, a global coalition of telecommunications providers. This standard allows for remote wireless provisioning of machine-to-machine (M2M) devices, significantly reducing the cost and time for enabling globally connected devices.

- Recognized, along with AT&T, Verizon, and Vodafone, as a world leader in the M2M retail space by prominent global market research firm Research and Markets. Rogers is a Canadian leader in M2M and this recognition affirms our belief that our in-market solutions for business are world class.

Invest in and Develop Our People

- Recognized again as a Top Employer for 2016 in November 2015 and as a Top Employer for Young People in May 2015 by the editors of Canada's Top 100 Employers.

- Selected as one of Canada's Best Diversity Employers for 2015 in a report released by Mediacorp Inc. in March 2015 for recognition of our efforts to promote diversity and inclusion in the workplace.

- Named one of Canada's Greenest Employers for 2015 by the editors of Canada's Top 100 Employers in April 2015, an award that recognizes employers with innovative environmental programs and earth-friendly policies that actively involve their employees.

- Named one of the 50 Best Corporate Citizens in Canada by Corporate Knights in June 2015, an award that recognizes employers that incorporate social, economic, and ecological benefits and costs in their normal course of business.

Deliver Compelling Content Everywhere

- Sportsnet was the most-watched televised sports brand in Canada, as verified by data collected by Numeris, a leading broadcast measurement source, between May 2014 and May 2015. Following a year of double-digit audience growth and record-setting ratings, for the first time in its 17-year history, more Canadians tuned in to Sportsnet channels than to the competition. In October 2015, driven by our Toronto Blue Jays' unforgettable 2015 MLB Postseason and the launch of the 2015-2016 NHL season, Sportsnet recorded its best month ever - and the best month ever for a sports TV network in Canada - for audience share, based on data collected by Numeris.

- Introduced Rogers Ignite Gigabit Internet.

- Launched 4K TV and 4K set-top boxes.

- Successfully completed the first year of our exclusive 12-year national NHL Agreement while bringing the NHL to more Canadians than ever before. We provided Canadians with new ways to experience games, through NHL GameCentre Live and NHL GamePlus, and on multiple platforms such as their computer, mobile phone, or tablet. Rogers Hometown Hockey has returned for a second season and is rolling into 24 new Canadian communities during the 2015-2016 NHL season with even more hockey festivities and entertainment.

- Acquired exclusive Canadian English-language multimedia rights for Sportsnet to the 2016 World Cup of Hockey, including television, online, and mobile rights for every game of the highly-anticipated tournament.

- Announced a five-year renewal agreement through 2020 as the title sponsor for the Rogers Cup professional tennis tournament, with Sportsnet garnering coverage rights for a comprehensive suite of televised, online, mobile, and multimedia platforms. The Rogers Cup is a renowned international professional tennis tournament and supports a key pillar in our strategy of delivering world-class content and experiences to Canadians.

- Expanded Texture by Next Issue for French-speaking and bilingual Canadians by adding 20 Québec-based French-language magazines to the more than 170 Canadian and US English magazines already on offer. In addition to providing full magazine issues, we also introduced more personalization for readers and more opportunity to search for and discover specific articles and stories of interest.

Focus on Innovation and Network Leadership

- Completed our strategic acquisition of wireless provider Mobilicity and completed our transaction to acquire Shaw's AWS-1 spectrum licences. We added and activated 20 MHz of contiguous AWS-1 spectrum adjacent to our existing 20 MHz of AWS-1 holdings across all of British Columbia and Alberta, and added 10 MHz of contiguous AWS-1 spectrum across Southern Ontario, the largest population centre in Canada. We also divested certain non-contiguous AWS-1 spectrum licences to WIND Mobile Corp.

- Augmented our extensive 2500 MHz spectrum holdings during the recent 2500 MHz spectrum auction. We successfully executed a tactical fill-in and top-up strategy to acquire nearly our entire allowable spectrum at an average cost of $0.10/MHz/pop, lower than other auction participants. We now hold 40 MHz of contiguous, paired 2500 MHz spectrum across nearly all of Canada, as well as an additional 20 MHz of unpaired 2500 MHz spectrum in many key population areas.

- Launched new Rogers Ignite broadband Internet-based bundled offerings with new unlimited usage options and value-added content.

- Extended wireless network coverage in even more rural markets within Canada.

- Named in 2015 as both Canada's Fastest ISP and Canada's Fastest Mobile Network by Ookla, a global leader in broadband speed testing.

- Released independent testing research from SamKnows, an independent broadband performance company, dated February 2015 confirming that Rogers' broadband Internet customers continue to enjoy fast and reliable upload and download service, delivered at 100 percent or more, on average, of advertised speeds, even during peak network hours.

- Rogers' wireless network was the first in Canada to be Category 6-enabled, allowing customers in select communities across Ontario and British Columbia to enjoy faster download speeds and a higher quality video experience on Category 6-enabled smartphones and tablets.

- Extended Rogers Smart Home Monitoring services to residents in Vancouver and the Lower Mainland, British Columbia, and Calgary and Edmonton, allowing them to connect, protect, and manage what is happening at home using their mobile devices or computers.

- First in Canada to launch Voice over LTE (VoLTE) technology, giving our Wireless customers across the country access to higher-quality high-definition voice and video calls, faster call setup and connection times, and the ability to simultaneously place calls, browse the web, and stream video at considerably greater LTE speeds.

- Introduced complimentary Wi-Fi service throughout the Rogers Centre, our multi-purpose event venue and home to the Toronto Blue Jays, in yet another example of Rogers' commitment to deliver the best-connected experience to Canadians.

- Became the first company in the world to launch programmatic advertising for NHL GameCentre Live, whereby Internet users will see advertising banners (created and placed in real-time, with the help of Google) for recent events, such as a scored goal in a hockey game, and be encouraged to watch the goal.

Go to Market as One Rogers

- Successfully worked as one company, showing we can bring our entire team together to achieve our goals. We demonstrated this through the successful launch of our NHL Agreement, utilizing Wireless, Cable, and Media to bring the NHL to Canadians, and our launch of new initiatives such as Roam Like Home and Rogers Ignite.

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 our2017 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. The major fixed assets are:

- transmitters, microwave systems, antennae, buildings, and 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 and cable modems, 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).

The operating systems and software related to these assets are either owned by the Company or used under license. The Company also leases various distribution facilities from third parties, including space on utility poles and underground ducts for the placement of some of the cable system. The Company either owns or leases land for the placement of hub sites, head-ends and space for other portions of the cable distribution system. The Company also leases premises and space on buildings for the placement of antenna towers. The Company either owns or leases the premises on which its switches are located. The Company has highly clustered and technologically advanced broadband cable networks in the provinces of Ontario, New Brunswick, and on the island of Newfoundland.

The Company operates a North American transcontinental fibre-optic network extendingover 48,000 route 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.

The Company owns or has licensed various brands and trademarks used in its businesses. Various Company trade names and properties are protected by trademark and/or copyright. The Company maintains customer lists for its businesses. The Company's intellectual property, including its trade names, brands, properties, and customer lists, is important to its operations.

In 2017, the Company spent approximately $0.3 million relating to environmental protection and management requirements. Environmental protection and management requirements applicable to the Company's operations are not expected to have a significant effect on the Company's capital expenditures, earnings, or its 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 72 to 78 of our 2017 MD&A.

ITEM 6 – Dividends

ITEM 6.1 – DIVIDENDS

In January 2018, the RCI Board of Directors (the Board) declared a quarterly dividend of $0.48 per Class A Voting Share and Class B Non-Voting Share, to be paid on April 3, 2018, to shareholders of record on March 12, 2018.

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 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
January 27, 2016	March 13, 2016	April 1, 2016	0.48	247
April 18, 2016	June 12, 2016	July 4, 2016	0.48	247
August 11, 2016	September 11, 2016	October 3, 2016	0.48	247
October 20, 2016	December 12, 2016	January 3, 2017	0.48	247
January 28, 2015	March 13, 2015	April 1, 2015	0.48	247
April 21, 2015	June 12, 2015	July 2, 2015	0.48	247
August 13, 2015	September 11, 2015	October 1, 2015	0.48	247
October 22, 2015	December 11, 2015	January 4, 2016	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 the2017 Audited Consolidated Financial Statements, Note 23, 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. 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, 2017.

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 [2]	A-2	P-2	N/A [3]

1 Unchanged for the year.
2 Unchanged since the inception of our US CP program in the first quarter of 2017.
3 We did not seek a rating from Fitch for our short-term obligations in 2017 .

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
2017/01	57.66	50.44	56.45	15,873,108
2017/02	57.77	55.57	55.76	21,142,080
2017/03	59.09	55.25	58.80	28,925,165
2017/04	63.78	58.34	62.59	18,048,432
2017/05	63.32	61.15	63.00	20,852,256
2017/06	63.58	60.54	61.25	19,534,935
2017/07	66.32	60.40	64.83	17,667,175
2017/08	65.71	63.76	65.19	12,679,283
2017/09	65.16	62.35	64.34	15,835,661
2017/10	67.99	64.15	66.94	15,347,903
2017/11	70.08	65.95	66.96	14,414,392
2017/12	67.03	63.35	64.05	16,212,438

RCI.A

Month	High ($)	Low ($)	Close ($)	Volume
2017/01	57.88	51.05	57.12	41,217
2017/02	58.96	56.64	56.64	18,061
2017/03	59.40	56.10	59.40	17,438
2017/04	63.41	59.50	63.17	17,278
2017/05	63.51	62.00	63.15	6,678
2017/06	64.05	61.10	61.66	45,004
2017/07	66.58	60.79	65.65	10,279
2017/08	65.72	64.25	65.50	7,725
2017/09	65.20	62.39	64.75	12,519
2017/10	68.24	64.25	67.72	23,647
2017/11	69.99	66.29	66.76	22,350
2017/12	67.16	63.57	63.96	30,144

ITEM 8.2 – PRIOR SALES

In March 2017, we established a US$1 billion US commercial paper program and amended the program to US$1.5 billion in December 2017.

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 executive officers of RCI as atMarch 8, 2018, 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. (5)	Director
Robert K. Burgess (1)(10)	Director
John H. Clappison, FCPA, FCA (1)(4)(6)	Director
Robert Dépatie (3)(5)	Director
Robert J. Gemmell (1)	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)(11)	Director
Isabelle Marcoux (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
Charles Sirois, C.M. (2)(4)(7)	Lead Director
Executive Officers	
Joe Natale	Director, President and Chief Executive Officer
Rick A. Brace	President, Media
Lisa L. Durocher	Chief Digital Officer
Jorge Fernandes	Chief Technology Officer
Philip J. Hartling	Interim President, Consumer
John A. Hill	Chief Information Officer
David P. Miller	Chief Legal and Corporate Affairs Officer and Secretary
Dean Prevost	President, Enterprise
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 2017 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 2017 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. Burgess was a director of Syncapse Corp. ("Syncapse") prior to MNP Ltd. being appointed as a receiver of all the assets of Syncapse on July 23, 2013. A court approved sale was completed by the receiver on August 30, 2013.
(11) 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 Sick Kids 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 twenty years, including as President and Chief Executive Officer of Rogers Cable Inc. from 2003 to 2009. 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 is also 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. Ms. Rogers is the Vice Chair of the Rogers Control Trust and has been the Founder of Rogers Venture Partners since September 2011. Ms. Rogers was appointed a director of Rogers Bank on December 31, 2017. Ms. Rogers is Chair of the Jays Care Foundation and Chair of Texture by Next Issue Media LLC. Ms. Rogers served as Senior Vice President, Strategy and Development from 2006 to 2014. Ms. Rogers joined RCI in 2000 as Vice President, Venture Investments and served as Vice President, Strategic Planning & Venture Investments from 2004 to 2006. She is a director of Right to Play International and is on the Advisory Council of the Rotman School of Management. 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.

Bonnie R. Brooks, C.M. resides in Toronto, Ontario, Canada and has been a director of RCI since April 2015. Ms. Brooks has more than 30 years of executive leadership in media, marketing and merchandising. Most recently, Ms. Brooks was the Vice Chairman 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 director of two US-based retailers; Chicos FAS Inc. and Abercrombie & Fitch Co. She is also a trustee of Riocan Real Estate Investment Trust. Ms. Brooks 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.

Robert K. Burgess resides in Woodside, California, USA and has been a director of RCI since April 2016. Mr. Burgess has been an independent consultant since December 2005. He served as Chief Executive Officer of Macromedia, Inc. (Macromedia), a provider of Internet and multimedia software, from November 1996 to January 2005. Until December 2005 when Macromedia was acquired by Adobe Systems Incorporated, Mr. Burgess also served on the Board of Directors of Macromedia commencing November 1996, was Chairman of the Board commencing July 1998 and was Executive Chairman commencing January 2005. Mr. Burgess currently serves on the Board of each of Adobe Systems Incorporated and NVIDIA Corporation. Mr. Burgess holds a B.Com. and an honorary Doctor of Laws from McMaster University.

John H. Clappison, FCPA, FCA resides in Toronto, Ontario, Canada and has been a director of RCI since June 2006. In addition, Mr. Clappison was appointed as a director of Rogers Bank in April 2013. 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 serves as a director of Cameco Corporation. 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 was President of Groupe St-Hubert from February 2015 to June 2015. 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. Prior to joining Vidéotron ltée, Mr. Dépatie held many senior positions in the food distribution industry, including President of Distributions Alimentaires Le Marquis/Planters and Executive VP at Heinz Canada from 1993 to 1998.

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 was a director of Rogers Bank from April 2013 to December 2017. Mr. Horn served as Vice President, Finance and Chief Financial Officer of the Company from September 1996 to March 2006. He is also a director of Fairfax Financial Holdings Limited and Fairfax India Holdings Corporation. 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 is also a director of 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 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 is a member of the Board of George Weston Limited and Power Corporation of Canada. Ms. Marcoux has been a director of Montreal Children's Hospital Foundation since 2015. Ms. Marcoux is co-chair of Centraide of Greater Montreal's campaign, one of the largest annual fund drives in Quebec. 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, and an honorary Doctor of Laws from Ryerson University.

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.

Charles Sirois, C.M. resides in Montreal, Quebec, Canada and has been a director of RCI since April 2012 and Lead Director since April 2014. Mr. Sirois is the founder, controlling shareholder and Chairman of Telesystem Ltd., a private family-owned media and technology holding company. Mr. Sirois is also Founding Partner of Tandem Expansion Fund, Chairman and co-Founder of Pangea Agriculture Group, Founder and Chairman of Enablis Entrepreneurial Network, and Chairman of the Fondation de l'entrepreneurship. He was appointed a director of Triotech Amusement Inc. in July 2016. Mr. Sirois holds a Bachelor's degree in Finance from Université de Sherbrooke, a Master's degree in Finance from Université Laval, as well as honorary doctorates from Université du Québec à Montréal, University of Ottawa, Concordia University, Université Laval, and École de technologie supérieure. Mr. Sirois has published two books: The Medium and the Muse (1995) and Organic Management: Creating a Culture of Innovation (2000). Mr. Sirois received the Order of Canada in 1994 and was appointed knight of the Ordre national du Québec in 1998. In 2010, he was inducted into Canada's Telecommunications Hall of Fame. He is also a recipient of the Queen Elizabeth II Diamond Jubilee Medal.

Joe Natale resides in Toronto, Ontario, Canada and became President and Chief Executive Officer and a director of RCI on April 19, 2017. Previously, Mr. Natale was President and CEO at Telus Corporation from 2014 to 2015. Mr. Natale first joined Telus Corporation in 2003, holding a number of senior positions including President of Enterprise Solutions, President of Consumer Solutions and Chief Commercial Officer. Prior to 2003, Mr. Natale held successive senior leadership roles within KPMG Consulting, which he joined after it acquired the company he co-founded, PNO Management Consultants Inc., in 1997. Mr. Natale holds a BASc degree in Electrical Engineering from the University of Waterloo.

Rick A. Brace resides in Toronto, Ontario, Canada and has served as President, Media since August 2015. Mr. Brace is responsible for driving strategy and overseeing operations for the company's robust portfolio of media assets. Mr. Brace is an accomplished business leader and innovative pioneer with more than 40 years of experience in the media industry. Prior to joining Rogers, Mr. Brace was with Bell Media/CTVglobemedia for 13 years in senior leadership roles, including President of CTV and President of Specialty TV, until December 2013. Mr. Brace is Chair of the Advisory Council for the Rick Hansen Foundation, Trustee of the Canadian Wildlife Foundation, and a director of the Jays Care Foundation. He also serves on the President's Council of Ryerson University, his alma mater, where he earned a Bachelor of Applied Arts Degree in 1972.

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 of 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 SVP of 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 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 Interim President, Consumer since December 2017. Mr. Hartling is responsible for the Company's Consumer wireless and 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 has 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 SVP, Consumer Services. Mr. Hartling holds a MPA and a B.Comm from Dalhousie University.

John A. Hill resides in Toronto, Ontario Canada and has served as our Chief Information Officer since December 2017 after first joining the company in 2016 as Senior Vice President, Consumer IT. Mr. Hill leads a team of IT professionals who are accountable for operational IT plans across the business and play a critical role in the delivery of the company's customer experience and growth agenda. Prior to joining Rogers, Mr. Hill was the Chief Information Security Officer at Enbridge Pipelines from 2014 to 2015. Mr. Hill was the Vice President of High Tech and Communications at Capgemini Consulting in 2014 and, prior to that, he was the Chief Information Officer at SaskTel from 2008 to 2013. Mr. Hill holds a B.Sc.E.E. from the University of Saskatchewan. Mr. Hill is currently a member of the Association of Professional Engineers and Geoscientists of Alberta (APEGA).

David P. Miller resides in Toronto, Ontario, Canada and was appointed as Chief Legal and Corporate Affairs Officer and Secretary in April 2017. Mr. Miller oversees all facets of corporate affairs at Rogers, including legal, regulatory, government relations, public policy, communications and corporate social responsibility. He also oversees the Office of the Ombudsman. Mr. Miller was previously Vice President, General Counsel and then Chief Legal Officer of RCI since 1987 and Secretary of RCI since 2002. He is a director of CI Financial Corp. and a member of the Advisory Board of Atlantic Packaging Limited. Mr. Miller holds a B. Comm. and both Civil and Common Law degrees from McGill University.

Dean Prevost resides in Calgary, Alberta, Canada and was appointed as President, Enterprise in 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 was appointed Chief Human Resources Officer in 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 been our Chief Financial Officer since April 2012. Prior to joining Rogers, Mr. Staffieri was Senior Vice President, Finance 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 his then-client, 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 a member of their Board of Governors and Chair of their Finance 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, 2017, RCI's directors and executive officers as a group owned, directly or indirectly, an aggregate of 102,664,118 Class A Voting Shares, representing approximately 91.3% 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 2017 Information Circular available on SEDAR at sedar.com.

COMPOSITION OF THE BOARD
The Board currently has 16 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 the Company. 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 Company's 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.
Robert K. Burgess
John H. Clappison, FCPA, FCA
Robert Dépatie
Robert J. Gemmell
John A. MacDonald
Isabelle Marcoux
The Hon. David R. Peterson, PC, QC
Charles Sirois, C.M.

As a result, a majority of the Board consists of independent directors.

Lead Director
Pursuant to the Board Charter, the Board has appointed Charles Sirois 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 Company's website at investors.rogers.com/corporate-governance.

CONTROLLED COMPANY EXEMPTION
The NYSE listing standards require a listed company to have, among other things, a nominating committee consisting entirely of independent directors. The rules permit a "controlled company" to be exempt from this requirement. 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.

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 the Company's knowledge, based on information supplied by the directors and executive officers, no director or executive officer of the Company, or a shareholder holding a sufficient number of securities to affect materially the control of 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. Burgess was a director of Syncapse Corp. (Syncapse) prior to MNP Ltd. being appointed as a receiver of all the assets of Syncapse on July 23, 2013. A court-approved sale was completed by the receiver on August 30, 2013.

2. 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.

No director or executive officer of the Company, 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 and Ethical Business Conduct

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, the CEO, and employees, such as distribution of the Business Conduct Policy to the Company's employees and the STAR Hotline, the Company's anonymous whistleblower hotline.

The Codes can be reviewed in the Corporate Governance section of our Company's 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", contained on page 78 of our2017 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.

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 the auditor of the Company 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
- directly responsible for the qualifications, independence, appointment and oversight of the work of the external auditors - 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 that ensure the Company is in compliance with both the laws and regulations that apply to it and its own policies
- 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 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) the qualifications, independence, appointment and oversight of the work of the external auditors;
(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 such matters and questions relating to the financial position of the Company and its affiliates as the Board may from time to time see fit.

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 Meeting of the 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 developed 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 fulfilling its responsibilities, and has direct access to and the authority to communicate directly with the external auditors, internal auditors, the Chief Legal Officer of the Company and other officers and employees of the Company.

The members of the Committee shall have the right for the purpose of performing their duties 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. 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 preparing 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 to be 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 meant 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 any subsidiary) 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 that have been discussed with management of the Company, 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 of Directors, provided that such approval is subsequently reported to the Board of Directors 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 attest 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 and performance of the external auditors, 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; and
(d) review the scope, responsibilities and effectiveness of the internal audit team, its independence from management, its credentials, its resources and its working relationship with the external auditors.

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 the adequacy of the internal controls that have been 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 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 security, financial, physical security, 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 analysts and rating agencies;
(e) periodically review with senior management the status of significant taxation matters;
(f) report regularly to the Board, including with regard to 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.

All prior resolutions of the Board relating to the Committee or any predecessor thereof are hereby repealed without prejudice to any action taken thereunder.

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 K. Burgess
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. Burgess	Former Chairman and Chief Executive Officer of Macromedia, Inc.; former Director and CEO of Alias Research, Inc.
Mr. MacDonald	Former President of Enterprise Division of MTS Allstream; former President and COO of Bell Canada and former CEO of NBTel

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.

The Company's 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 2017 and 2016, and fees billed for other services rendered by KPMG LLP.

Auditors' Fees	2017		2016	
	$	%	$	%
Audit Fees (1)	5,999,395	83.4%	5,337,800	76.2%
Audit-Related Fees (2)	1,105,826	15.4%	996,420	14.2%
Tax Fees (3)	78,352	1.1%	83,110	1.2%
All Other Fees (4)	8,694	0.1%	590,107	8.4%
Total	7,192,267	100.0%	7,007,437	100.0%

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

ITEM 18 – Additional Information

ITEM 18.1 – ADDITIONAL INFORMATION

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities, and securities authorized for issuance under equity compensation plans, is contained in the Company's management information circular for its most recent annual meeting of shareholders that involved the election of directors. Additional financial information is provided in our 2017 Annual Audited Consolidated Financial Statements and notes thereto and our 2017 MD&A.

The Secretary of the Company can be contacted at the Company's 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.

Exhibit 99.3

Management's Responsibility for Financial Reporting
December 31, 2017

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 Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board (United States) on behalf of the shareholders. Our internal control over financial reporting as at December 31, 2017 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 8, 2018

"Joe Natale"	*"Anthony Staffieri"*
Joe Natale	Anthony Staffieri, FCPA, FCA
President and Chief Executive Officer	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 financial statements of Rogers Communications Inc., which comprise the consolidated statements of financial position as at December 31, 2017 and December 31, 2016, the consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the years then ended, and the related notes, comprising a summary of significant accounting policies and other explanatory information (collectively referred to as the "consolidated financial statements").

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Rogers Communication Inc. as at December 31, 2017 and December 31, 2016, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Report on Internal Control Over Financial Reporting
We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Rogers Communications Inc's internal control over financial reporting as of December 31, 2017, based on the criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and our report dated March 8, 2018 expressed an unqualified (unmodified) opinion on the effectiveness of Rogers Communications Inc.'s internal control over financial reporting.

Basis for Opinion
A - Management's Responsibility for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

B - Auditors' Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement, whether due to error or fraud. Those standards also require that we comply with ethical requirements, including independence. We are required to be independent with respect to Rogers Communications Inc. in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We are a public accounting firm registered with the PCAOB.

An audit includes performing procedures to assess the risks of material misstatements of the consolidated financial statements, whether due to error or fraud, and performing procedures to respond to those risks. Such procedures included obtaining and examining, on a test basis, audit evidence regarding the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to Rogers Communications Inc.'s preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of accounting policies and principles used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a reasonable basis for our audit opinion.

"KPMG LLP"
Chartered Professional Accountants, Licensed Public Accountants
We have served as Rogers Communications Inc.'s auditor since 1969.
Toronto, Canada
March 8, 2018

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, 2017, based on the criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, Rogers Communications Inc. maintained, in all material respects, effective internal control over financial reporting as oDecember 31, 2017, based on the criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Report on the Consolidated Financial Statements
We also have audited, in accordance with Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the consolidated financial statements of Rogers Communications Inc., which comprise the consolidated statements of financial position as at December 31, 2017 and December 31, 2016, the consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the years then ended, and the related notes, comprising a summary of significant accounting policies and other explanatory information (collectively referred to as the "consolidated financial statements") and our report dated March 8, 2018 expressed an unmodified (unqualified) opinion on those consolidated financial statements.

Basis for Opinion
Rogers Communications Inc.'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, 2017. Our responsibility is to express an opinion on Rogers Communications Inc.'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 Rogers Communications Inc. in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB and in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada.

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 8, 2018

Consolidated Statements of Income

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

Years ended December 31	*Note*	**2017**	2016
Revenue	*5*	**14,143**	13,702
Operating expenses:			
Operating costs	*6*	**8,825**	8,671
Depreciation and amortization	*7, 8*	**2,142**	2,276
Gain on disposition of property, plant and equipment	*7*	**(49)**	—
Restructuring, acquisition and other	*7, 9*	**152**	644
Finance costs	*10*	**746**	761
Other (income) expense	*11*	**(19)**	191
Income before income tax expense		**2,346**	1,159
Income tax expense	*12*	**635**	324
Net income for the year		**1,711**	835
Earnings per share:			
Basic	*13*	**$3.32**	$1.62
Diluted	*13*	**$3.31**	$1.62

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*	**2017**	2016
Net income for the year		**1,711**	835
Other comprehensive income (loss):			
Items that will not be reclassified to income:			
Defined benefit pension plans:			
Remeasurements	*22*	**(62)**	(101)
Related income tax recovery		**17**	27
Items that will not be reclassified to net income		**(45)**	(74)
Items that may subsequently be reclassified to income:			
Available-for-sale investments:			
Increase in fair value		**433**	90
Reclassification to net income for gain on sale of investment		**—**	(39)
Related income tax expense		**(62)**	(7)
Available-for-sale investments		**371**	44
Cash flow hedging derivative instruments:			
Unrealized loss in fair value of derivative instruments		**(566)**	(336)
Reclassification to net income of loss on debt derivatives		**591**	255
Reclassification to net income or property, plant and equipment of loss (gain) on expenditure derivatives		**39**	(80)
Reclassification to net income for accrued interest		**(60)**	(69)
Related income tax recovery		**40**	66
Cash flow hedging derivative instruments		**44**	(164)
Equity-accounted investments:			
Share of other comprehensive loss of equity-accounted investments, net of tax		**(15)**	(8)
Reclassification to net income of realized other comprehensive income for equity-accounted investments		**—**	(15)
Equity-accounted investments		**(15)**	(23)
Items that may subsequently be reclassified to net income		**400**	(143)
Other comprehensive income (loss) for the year		**355**	(217)
Comprehensive income for the year		**2,066**	618

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

Consolidated Statements of Financial Position

(In millions of Canadian dollars)

As at December 31	Note	2017	2016
Assets			
Current assets:			
Accounts receivable	14	**2,041**	1,949
Inventories	15	**313**	315
Other current assets		**197**	215
Current portion of derivative instruments	16	**421**	91
Total current assets		**2,972**	2,570
Property, plant and equipment	7	**11,143**	10,749
Intangible assets	8	**7,244**	7,130
Investments	17	**2,561**	2,174
Derivative instruments	16	**953**	1,708
Other long-term assets		**82**	98
Deferred tax assets	12	**3**	8
Goodwill	8	**3,905**	3,905
Total assets		**28,863**	28,342
Liabilities and shareholders' equity			
Current liabilities:			
Bank advances		**6**	71
Short-term borrowings	18	**1,585**	800
Accounts payable and accrued liabilities		**2,931**	2,783
Income tax payable		**62**	186
Current portion of provisions	19	**4**	134
Unearned revenue		**346**	367
Current portion of long-term debt	20	**1,756**	750
Current portion of derivative instruments	16	**133**	22
Total current liabilities		**6,823**	5,113
Provisions	19	**35**	33
Long-term debt	20	**12,692**	15,330
Derivative instruments	16	**147**	118
Other long-term liabilities	21	**613**	562
Deferred tax liabilities	12	**2,206**	1,917
Total liabilities		**22,516**	23,073
Shareholders' equity	23	**6,347**	5,269
Total liabilities and shareholders' equity		**28,863**	28,342
Guarantees	26		
Commitments and contingent liabilities	27		
Subsequent events	20, 23		

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, 2017	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	Available-for-sale financial assets reserve	Hedging reserve	Equity investment hedging reserve	Total shareholders' equity
Balances, January 1, 2017	72	112,412	405	402,396	4,247	642	(107)	10	5,269
Net income for the year	—	—	—	—	1,711	—	—	—	1,711
Other comprehensive income (loss):									
Defined benefit pension plans, net of tax	—	—	—	—	(45)	—	—	—	(45)
Available-for-sale investments, net of tax	—	—	—	—	—	371	—	—	371
Derivative instruments accounted for as hedges, net of tax	—	—	—	—	—	—	44	—	44
Share of equity-accounted investments, net of tax	—	—	—	—	—	—	—	(15)	(15)
Total other comprehensive income (loss)	—	—	—	—	(45)	371	44	(15)	355
Comprehensive income (loss) for the year	—	—	—	—	1,666	371	44	(15)	2,066
Transactions with shareholders recorded directly in equity:									
Dividends declared	—	—	—	—	(988)	—	—	—	(988)
Shares issued on exercise of stock options	—	—	—	2	—	—	—	—	—
Share class exchange	—	(5)	—	5	—	—	—	—	—
Total transactions with shareholders	—	(5)	—	7	(988)	—	—	—	(988)
Balances, December 31, 2017	**72**	**112,407**	**405**	**402,403**	**4,925**	**1,013**	**(63)**	**(5)**	**6,347**

Year ended December 31, 2016	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	Available-for-sale financial assets reserve	Hedging reserve	Equity investment hedging reserve	Total shareholders' equity
Balances, January 1, 2016	72	112,439	402	402,308	4,474	598	57	33	5,636
Net income for the year	—	—	—	—	835	—	—	—	835
Other comprehensive income (loss):									
Defined benefit pension plans, net of tax	—	—	—	—	(74)	—	—	—	(74)
Available-for-sale investments, net of tax	—	—	—	—	—	44	—	—	44
Derivative instruments accounted for as hedges, net of tax	—	—	—	—	—	—	(164)	—	(164)
Share of equity-accounted investments, net of tax	—	—	—	—	—	—	—	(23)	(23)
Total other comprehensive income (loss)	—	—	—	—	(74)	44	(164)	(23)	(217)
Comprehensive income (loss) for the year	—	—	—	—	761	44	(164)	(23)	618
Transactions with shareholders recorded directly in equity:									
Dividends declared	—	—	—	—	(988)	—	—	—	(988)
Shares issued on exercise of stock options	—	—	3	61	—	—	—	—	3
Share class exchange	—	(27)	—	27	—	—	—	—	—
Total transactions with shareholders	—	(27)	3	88	(988)	—	—	—	(985)
Balances, December 31, 2016	72	112,412	405	402,396	4,247	642	(107)	10	5,269

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*	**2017**	2016
Operating activities:			
Net income for the year		**1,711**	835
Adjustments to reconcile net income to cash provided by operating activities:			
Depreciation and amortization	*7, 8*	**2,142**	2,276
Program rights amortization	*8*	**64**	71
Finance costs	*10*	**746**	761
Income tax expense	*12*	**635**	324
Stock-based compensation	*24*	**61**	61
Post-employment benefits contributions, net of expense	*22*	**4**	(3)
Net loss on divestitures pertaining to investments		**—**	11
(Recovery) loss on wind-down of shomi	*11*	**(20)**	140
Gain on disposition of property, plant and equipment	*7*	**(49)**	—
Impairment of assets and related onerous contract charges	*7*	**—**	484
Other		**8**	34
Cash provided by operating activities before changes in non-cash working capital items, income taxes paid, and interest paid		**5,302**	4,994
Change in non-cash operating working capital items	*28*	**(154)**	14
Cash provided by operating activities before income taxes paid and interest paid		**5,148**	5,008
Income taxes paid		**(475)**	(295)
Interest paid		**(735)**	(756)
Cash provided by operating activities		**3,938**	3,957
Investing activities:			
Capital expenditures	*7, 28*	**(2,436)**	(2,352)
Additions to program rights	*8*	**(59)**	(46)
Changes in non-cash working capital related to capital expenditures and intangible assets		**109**	(103)
Acquisitions and other strategic transactions, net of cash acquired	*8*	**(184)**	—
Other		**(60)**	45
Cash used in investing activities		**(2,630)**	(2,456)
Financing activities:			
Net proceeds received on short-term borrowings	*18*	**858**	—
Net repayment of long-term debt	*20*	**(1,034)**	(538)
Net payments on settlement of debt derivatives and forward contracts	*16*	**(79)**	(45)
Transaction costs incurred		**—**	(17)
Dividends paid	*23*	**(988)**	(988)
Other		**—**	5
Cash used in financing activities		**(1,243)**	(1,583)
Change in cash and cash equivalents		**65**	(82)
(Bank advances) cash and cash equivalents, beginning of year		**(71)**	11
Bank advances, end of year		**(6)**	(71)

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 infour 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, and telephony (phone) services for Canadian consumers and businesses.
Business Solutions	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 enterprise, 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, digital media, and publishing.

During the year ended December 31, 2017, Wireless, Cable, and Business Solutions 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.

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 8, 2018.

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 innote 16, which are measured at fair value;
- the net deferred pension liability, which is measured as described in note 22; and
- liabilities for stock-based compensation, which are measured at fair value as disclosed innote 24.

(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 monetary liabilities - at the exchange rate in effect as at the date of the Consolidated Statements of Financial Position;
- non-monetary assets, non-monetary liabilities, and related depreciation and amortization expenses - 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 2017

We adopted the following IFRS amendments prospectively beginning on January 1, 2017.

- Amendments to IAS 7, *Statement of Cash Flows*, requiring entities to provide additional disclosures that enable financial statement users to evaluate cash flow and non-cash changes in liabilities arising from financing activities.
- Amendments to IAS 12, *Income Taxes,* clarifying the requirements for deferred tax assets for unrealized losses on debt instruments.
- Amendments to IFRS 12, *Disclosure of Interests in Other Entities,* clarifying the required disclosures regarding an entity's interest in subsidiaries, joint arrangements, and associates that are held for sale, held for distribution, or classified as discontinued operations.

The adoption of these amendments did not have a material effect on our consolidated financial statements.

(f) 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. Furthermore, the following information is disclosed throughout the notes as identified in the table below:

- 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	18	X		
7	Property, Plant and Equipment	20	X	X	X
8	Intangible Assets and Goodwill	23	X	X	X
12	Income Taxes	27	X		X
13	Earnings Per Share	29	X		
14	Accounts Receivable	30	X		
15	Inventories	30	X		
16	Financial Instruments	31	X	X	X
17	Investments	41	X		
19	Provisions	45	X	X	X
22	Post-Employment Benefits	49	X	X	
24	Stock-Based Compensation	55	X	X	
27	Commitments and Contingent Liabilities	60	X		X

(g) RECENT ACCOUNTING PRONOUNCEMENTS NOT YET ADOPTED

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

IFRS 15, *REVENUE FROM CONTRACTS WITH CUSTOMERS* (IFRS 15)

Effective January 1, 2018, we will adopt IFRS 15. Our first quarter 2018 interim financial statements will be our first financial statements issued in accordance with IFRS 15. IFRS 15 supersedes current accounting standards for revenue, including IAS 18, *Revenue* and IFRIC 13, *Customer Loyalty Programmes*.

IFRS 15 introduces a single model for recognizing revenue from contracts with customers. This standard applies to all contracts with customers, with only some exceptions, including certain contracts accounted for under other IFRSs. The standard requires revenue to be recognized in a manner that depicts the transfer of promised goods or services to a customer and at an amount that reflects the consideration expected to be received in exchange for transferring those goods or services. This is achieved by applying the following five steps:

1. identify the contract with a customer;
2. identify the performance obligations in the contract;
3. determine the transaction price;
4. allocate the transaction price to the performance obligations in the contract; and
5. recognize revenue when (or as) the entity satisfies a performance obligation.

IFRS 15 also provides guidance relating to the treatment of contract acquisition and contract fulfillment costs.

The application of this new standard will have significant impacts on our reported Wireless results, specifically with regards to the timing of recognition and classification of revenue, and the treatment of costs incurred in acquiring customer contracts. The timing of recognition and classification of revenue is affected because, at contract inception, IFRS 15 requires the estimation of total consideration over the contract term and the allocation of that consideration to all performance obligations in the contract based on their relative stand-alone selling prices. This will most significantly affect our Wireless arrangements that bundle equipment and service together into monthly service fees, which will result in an increase to equipment revenue recognized at contract inception and a decrease to service revenue recognized over the course of the contracts. We do not expect the application of IFRS 15 to affect our cash flows from operations or the methods and underlying economics through which we transact with our customers.

The treatment of costs incurred in acquiring customer contracts is affected as IFRS 15 requires certain contract acquisition costs (such as sales commissions) to be recognized as an asset and amortized into operating expenses over time. Currently, such costs are expensed as incurred.

In addition, new assets and liabilities will be recognized on our Consolidated Statements of Financial Position. Specifically, a contract asset and contract liability will be recognized to account for any timing differences between the revenue recognized and the amounts billed to the customer.

Significant judgment is needed to define the enforceable rights and obligations of a contract and to determine when the customer obtains control of the distinct good or service.

We plan to retrospectively apply IFRS 15 to all contracts that are not complete on the date of initial application. We have made a policy choice to restate each prior period presented and will recognize the cumulative effect of initially applying IFRS 15 as an adjustment to the opening balance of equity as at January 1, 2017, subject to certain practical expedients we adopted.

We have implemented a new revenue recognition system to enable us to comply with the requirements of IFRS 15, including appropriately allocating revenue between different performance obligations within individual contracts for certain revenue streams. We have had detailed data validation processes in place throughout the transition work period to implement IFRS 15.

We have a team dedicated to ensuring our compliance with IFRS 15. This team was responsible for determining system requirements, ensuring our data collection was appropriate, and communicating the upcoming changes with various stakeholders. In addition, this team assisted in the development of new internal controls that will help ensure our new revenue recognition system operates as intended and the related results are complete and accurate.

EFFECT OF TRANSITION TO IFRS 15

Consolidated Statements of Income

Below is the estimated effect of transition to IFRS 15 on our Consolidated Statements of Income for the year ended December 31, 2017, all of which pertain to our Wireless segment. Only metrics that are impacted by the IFRS 15 conversion are presented.

		Year ended December 31, 2017		
(In billions of dollars)	*Note 2(g)*	As reported	Estimated effect of transition	Subsequent to transition [1]
Revenue	*i*	14.1	0.2	14.3
Operating expenses:				
Operating costs	*ii, iii*	8.8	***	8.8
Other non-operating costs		3.0	—	3.0
Income before income tax expense		2.3	0.2	2.5
Income tax expense		0.6	***	0.6
Net income for the year		1.7	0.2	1.9

*** Amounts less than $0.1 billion; these amounts have been excluded from subtotals.
1 As a result of IFRS 15 being adopted effective January 1, 2018, we will retrospectively amend our 2017 results in our fiscal 2018 financial filings.

Consolidated Statements of Financial Position

Below is the estimated effect of transition to IFRS 15 on our Consolidated Statements of Financial Position as at January 1, 2017 and as at December 31, 2017.

		As at January 1, 2017			As at December 31, 2017		
(in billions of dollars)	*Note 2(g)*	As reported	Estimated effect of transition	Subsequent to transition [1]	As reported	Estimated effect of transition	Subsequent to transition [1]
Assets							
Current assets:							
Accounts receivable		1.9	***	1.9	2.0	***	2.0
Inventories	*iii*	0.3	0.1	0.4	0.3	0.1	0.4
Current portion of contract assets	*i*	—	0.7	0.7	—	0.8	0.8
Other current assets	*ii*	0.2	0.2	0.4	0.2	0.2	0.4
Remainder of current assets		0.2	—	0.2	0.5	—	0.5
Total current assets		2.6	1.0	3.6	3.0	1.1	4.1
Contract assets	*i*	—	0.4	0.4	—	0.4	0.4
Other long-term assets	*ii*	0.1	***	0.1	0.1	***	0.1
Remainder of long-term assets		25.6	—	25.6	25.8	—	25.8
Total assets		28.3	1.4	29.7	28.9	1.5	30.4
Liabilities and shareholders' equity							
Current liabilities:							
Other current liabilities [2]	*iii*	0.1	0.1	0.2	—	0.1	0.1
Current portion of contract liabilities [3]	*i*	0.4	***	0.4	0.3	***	0.3
Remainder of current liabilities		4.6	—	4.6	6.5	—	6.5
Total current liabilities		5.1	0.1	5.2	6.8	0.1	6.9
Deferred tax liabilities		1.9	0.4	2.3	2.2	0.4	2.6
Remainder of long-term liabilities		16.0	—	16.0	13.5	—	13.5
Total liabilities		23.0	0.5	23.5	22.5	0.5	23.0
Shareholders' equity		5.3	0.9	6.2	6.4	1.0	7.4
Total liabilities and shareholders' equity		28.3	1.4	29.7	28.9	1.5	30.4

*** Amounts less than $0.1 billion; these amounts have been excluded from subtotals.
1 As a result of IFRS 15 being adopted effective January 1, 2018, we will retrospectively amend our 2017 results in our fiscal 2018 financial filings.
2 Previously reported as "current portion of provisions".
3 Previously reported as "unearned revenue".

The application of IFRS 15 will not affect our cash flows from operating, investing, or financing activities.

i) Contract assets and liabilities
Contract assets arise primarily as a result of the difference between revenue recognized on the sale of a wireless device at the onset of a term contract and the cash collected at the point of sale. Revenue recognized at point of sale requires the estimation of total consideration over the contract term and the allocation of that consideration to all performance obligations in the contract based on their relative stand-alone selling prices. For Wireless term contracts, revenue will be recognized earlier than previously reported, with a larger allocation to equipment revenue. Prior to the adoption of IFRS 15, the amount allocated to equipment revenue was limited to the non-contingent consideration received at the point of sale when recovery of the remaining consideration in the contract was contingent upon the delivery of future services.

We will record a contract liability when we receive payment from a customer in advance of providing goods and services. We will account for contract assets and liabilities on a contract-by-contract basis, with each contract being presented as a single net contract asset or net contract liability accordingly.

All contract assets will be recorded net of an allowance for expected credit losses, measured in accordance with IFRS 9.

ii) Deferred commission cost asset
Under IFRS 15, we will defer commission costs paid to internal and external representatives as a result of obtaining contracts with customers as deferred commission cost assets and amortize them over the pattern of the transfer of goods and services to the customer, which is typically evenly over either 12 or 24 consecutive months.

iii) Inventories and other current liabilities
Under IFRS 15, significant judgment is required to determine when the customer obtains control of the distinct good or service. For affected transactions, we have defined our customer as the end subscriber and determined that they obtain control when they receive possession of a wireless device, which typically occurs upon activation. For certain transactions through third-party franchise operators and other retailers, the timing of when the customer obtains control of a wireless device will be deferred in comparison to our current policy where revenue is recognized when the wireless device is delivered and accepted by the independent dealer. This will result in a greater inventory balance and a corresponding increase in other current liabilities.

IFRS 9, *FINANCIAL INSTRUMENTS* (IFRS 9)
Effective January 1, 2018, we will adopt IFRS 9. Our first quarter 2018 interim financial statements will be our first financial statements issued in accordance with IFRS 9. In July 2014, the IASB issued the final publication of the IFRS 9 standard, which supersedes IAS 39, *Financial Instruments: recognition and measurement* (IAS 39). IFRS 9 includes revised guidance on the classification and measurement of financial instruments, new guidance for measuring impairment on financial assets, and new hedge accounting guidance. We have made a policy choice to adopt IFRS 9 on a retrospective basis; however, our 2017 comparatives will not be restated because it is not possible to do so without the use of hindsight.

Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 contains three primary measurement categories for financial assets: measured at amortized cost, fair value through other comprehensive income (FVTOCI), and fair value through profit and loss (FVTPL). Under IFRS 9, we will irrevocably elect to present subsequent changes in the fair value of our equity investments that are neither held-for-trading nor contingent consideration arising from a business combination in other comprehensive income (FVTOCI with no reclassification to net income). For these equity investments, any impairment on the instrument will be recorded in other comprehensive income, and cumulative gains or losses in other comprehensive income will not be reclassified into net income on disposal.

Under IFRS 9, the loss allowance for trade receivables must be calculated using the expected lifetime credit loss and recorded at the time of initial recognition. A portion of our trade receivables require an incremental loss allowance in order to comply with the requirements of IFRS 9; as a result, we will recognize a $4 million decrease to accounts receivable and a corresponding decrease to retained earnings within shareholders' equity, effective January 1, 2018. In addition, the expected loss allowance using the lifetime credit loss approach will be applied to contract assets under IFRS 15. There is no significant effect on the carrying value of our other financial instruments under IFRS 9 related to this new requirement.

The new hedge accounting guidance aligns hedge accounting more closely with an entity's risk management strategies. IFRS 9 does not fundamentally change the types of hedging relationships or the requirement to measure and recognize ineffectiveness; however, it allows more hedging strategies used for risk management to qualify for hedge accounting and introduces more judgment to assess the effectiveness of a hedging relationship, primarily from a qualitative standpoint. This is not expected to have an effect on our reported results and will simplify our application of effectiveness tests going forward.

Below is a summary showing the classification and measurement bases of our financial instruments as at January 1, 2018 as a result of adopting IFRS 9 (along with a comparison to IAS 39).

Financial instrument	IAS 39	IFRS 9
Financial assets		
Cash and cash equivalents	Loans and receivables	Amortized cost
Accounts receivable	Loans and receivables	Amortized cost
Investments	Available-for-sale [1]	FVTOCI with no reclassification to net income
Financial liabilities		
Bank advances	Other financial liabilities	Amortized cost
Short-term borrowings	Other financial liabilities [2]	Amortized cost
Accounts payable	Other financial liabilities	Amortized cost
Accrued liabilities	Other financial liabilities	Amortized cost
Long-term debt	Other financial liabilities [2]	Amortized cost
Derivatives [3]		
Debt derivatives [4]	Held-for-trading	FVTOCI and FVTPL
Bond forwards	Held-for-trading	FVTOCI
Expenditure derivatives	Held-for-trading	FVTOCI
Equity derivatives	Held-for-trading [5]	FVTPL

1 Subsequently measured at fair value with changes recognized in other comprehensive income. The net change subsequent to initial recognition, in the case of investments, is reclassified into net income upon disposal of the investment or when the investment becomes impaired.
2 Subsequently measured at amortized cost using the effective interest method.
3 The 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.
4 Debt derivatives related to our senior notes and debentures have been designated as hedges for accounting purposes and will be classified as fair value through other comprehensive income (FVTOCI). Debt derivatives related to our credit facility and commercial paper borrowings have not been designated as hedges for accounting purposes and will be classified as fair value through profit and loss (FVTPL).
5 Subsequent changes are offset against stock-based compensation expense or recovery in operating costs.

IFRS 16, *LEASES* (IFRS 16)

In January 2016, the IASB issued the final publication of the IFRS 16 standard, which will supersede the current IAS 17 *Leases* (IAS 17) standard. IFRS 16 introduces a single accounting model for lessees and for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee will be required to recognize a right-of-use asset, representing its right to use the underlying asset, and a lease liability, representing its obligation to make lease payments. The accounting treatment for lessors will remain largely the same as under IAS 17.

The standard is effective for annual periods beginning on or after January 1, 2019. We have the option to either:

- apply IFRS 16 with full retrospective effect;
  or
- recognize the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application.

We believe that, as a result of adopting IFRS 16, we will recognize a significant increase to both assets and liabilities, as we will be required to record a right-of-use asset and a corresponding lease liability on our Consolidated Statements of Financial Position, as well as a decrease to operating costs, an increase to finance costs (due to accretion of the lease liability), and an increase to depreciation and amortization (due to depreciation of the right-of-use asset).

We have a team engaged to ensuring our compliance with IFRS 16. This team has been responsible for determining process requirements, ensuring our data collection is appropriate, and communicating the upcoming changes with various stakeholders. In addition, this team is assisting in the development of new internal controls that will help ensure the system runs as intended and the related results are accurate.

We are implementing a process that will enable us to comply with the requirements of IFRS 16 on a lease-by-lease basis. We expect to begin a parallel run under both IAS 17 and IFRS 16 using this system in 2018. We will have detailed data validation processes that will continue throughout the course of 2018. As a result, we are continuing to assess the effect of this standard on our consolidated financial statements and it is not yet possible to make a reliable estimate of its effect. We expect to disclose the estimated financial effects of the adoption of IFRS 16 in our 2018 consolidated financial statements.

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 current portion of our long-term debt, long-term debt, and short-term borrowings).

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 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, 2017 and 2016. The capital requirements are not material to the Company as at December 31, 2017 or December 31, 2016.

With the exception of the Rogers Platinum MasterCard and the 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, 2016.

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 operating profit as the key measure of profit for the purpose of assessing performance for each segment and to make decisions about the allocation of resources. Adjusted operating profit is defined as income before stock-based compensation, depreciation and amortization, restructuring, acquisition and other, finance costs, other expense (income), and income tax expense.

We will redefine our reportable segments effective January 1, 2018 as a result of technological evolution and the increased overlap between the various product offerings within our Cable and Business Solutions reportable segments, as well as how we allocate resources amongst, and the general management of, our reportable segments. Effective January 1, 2018, the results of our existing Cable segment, Business Solutions segment, and our Smart Home Monitoring products will be presented within a redefined Cable segment. Financial results related to our Smart Home Monitoring product are currently reported within Corporate items and intercompany eliminations. We will retrospectively amend our 2017 comparative segment results in 2018 to account for this redefinition.

Effective January 1, 2018, our chief operating decision maker will commence using adjusted EBITDA as the key measure of profit for the purpose of assessing performance for each segment and to make decisions about the allocation of resources. Adjusted EBITDA will be defined as income before depreciation and amortization, 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 JUDGMENT

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, Business Solutions, and Media (seenote 1). All four 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, 2017 (In millions of dollars)	*Note*	Wireless	Cable	Business Solutions	Media	Corporate items and eliminations	Consolidated totals
Revenue	*5*	8,343	3,466	387	2,153	(206)	14,143
Operating costs [1]		4,782	1,757	259	2,014	(48)	8,764
Adjusted operating profit		3,561	1,709	128	139	(158)	5,379
Stock-based compensation [1]	*24*						61
Depreciation and amortization	*7, 8*						2,142
Gain on disposition of property, plant and equipment	*7*						(49)
Restructuring, acquisition and other	*9*						152
Finance costs	*10*						746
Other income	*11*						(19)
Income before income tax expense							2,346
Capital expenditures before proceeds on disposition [2]		806	1,172	131	83	318	2,510
Goodwill		1,160	1,379	429	937	—	3,905
Total assets		14,261	6,033	1,196	2,405	4,968	28,863

1 Included in operating costs on the Consolidated Statements of Income.
2 Excludes proceeds on disposition of $74 million (see note 28).

Year ended December 31, 2016 (In millions of dollars)	*Note*	Wireless	Cable	Business Solutions	Media	Corporate items and eliminations	Consolidated totals
Revenue	*5*	7,916	3,449	384	2,146	(193)	13,702
Operating costs [1]		4,631	1,775	261	1,977	(34)	8,610
Adjusted operating profit		3,285	1,674	123	169	(159)	5,092
Stock-based compensation [1]	*24*						61
Depreciation and amortization	*7, 8*						2,276
Restructuring, acquisition and other	*7, 9*						644
Finance costs	*10*						761
Other expense	*11*						191
Income before income tax expense							1,159
Capital expenditures before proceeds on disposition		702	1,085	146	62	357	2,352
Goodwill		1,160	1,379	429	937	—	3,905
Total assets		14,074	5,288	1,219	2,474	5,287	28,342

1 Included in operating costs on the Consolidated Statements of Income.

NOTE 5: REVENUE

ACCOUNTING POLICY

Revenue recognition

We recognize revenue when we can estimate its amount, have delivered on our obligations within the revenue-generating arrangements, and are reasonably assured that we can collect it. Revenue is recognized net of discounts.

Source of revenue	How we recognize revenue
Monthly subscriber fees for: ● wireless airtime and data services; ● cable, telephony, and Internet services; ● network services; ● media subscriptions; and ● rental of equipment	● As the service is provided
Revenue from roaming, long distance, pay per use, and other optional or non-subscription services and other sales of products	● As the service is provided or product is delivered
Revenue from the sale of wireless and cable equipment	● When the equipment is delivered and accepted by the independent dealer or subscriber in a direct sales channel
Equipment subsidies related to providing equipment to new and existing subscribers	● Equipment subsidies are recognized as a reduction of equipment revenue when the equipment is activated
Activation fees charged to subscribers in Wireless	● As part of service revenue upon activation ● These fees do not meet the criteria as a separate unit of accounting
Advertising revenue	● When the advertising airs on our radio or television stations, is featured in our publications, or displayed on our digital properties
Monthly subscription revenue received by television stations for subscriptions from cable and satellite providers	● When the services are delivered to cable and satellite providers' subscribers
Toronto Blue Jays revenue from 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 Major League Baseball, including fund redistribution and other distributions	● When the amount can be determined
Revenue from Toronto Blue Jays, radio, and television broadcast agreements	● At the time the related games are aired
Revenue from sublicensing of program rights	● Over the course of the applicable season
Rewards granted to customers through customer loyalty programs, which are considered a separately identifiable component of the sales transactions	● Estimate the portion of the original sales transaction to allocate to the reward credit based on the fair value of the reward credit that can be obtained when the credit is redeemed ● Defer the allocated amount as a liability until the rewards are redeemed by the customer and we provide the goods or services
Interest income on credit card receivables	● As it is earned (i.e. upon the passage of time) using the effective interest method

Multiple deliverable arrangements

We offer some products and services as part of multiple deliverable arrangements. We recognize these as follows:

- divide the products and services into separate units of accounting, as long as the delivered elements have stand-alone value to customers and we can determine the fair value of any undelivered elements objectively and reliably; then
- measure and allocate the arrangement consideration among the accounting units based on their relative fair values and recognize revenue related to each unit when the relevant criteria are met for each unit individually; however
- when an amount allocated to a delivered item is contingent upon the delivery of additional items or meeting specified performance conditions, the amount allocated to the delivered item is limited to the non-contingent amount, as applicable.

Unearned revenue

We recognize payments we receive in advance of providing goods and services as unearned revenue. Advance payments include subscriber deposits, cable installation fees, ticket deposits related to Toronto Blue Jays ticket sales, and amounts subscribers pay for services and subscriptions that will be provided in future periods.

EXPLANATORY INFORMATION

(In millions of dollars)	Years ended December 31 2017	2016
Wireless:		
Service revenue	**7,775**	7,258
Equipment revenue	**568**	658
Total Wireless	**8,343**	7,916
Cable:		
Internet	**1,606**	1,495
Television	**1,501**	1,562
Phone	**353**	386
Service revenue	**3,460**	3,443
Equipment revenue	**6**	6
Total Cable	**3,466**	3,449
Business Solutions:		
Next generation	**322**	307
Legacy	**58**	71
Service revenue	**380**	378
Equipment revenue	**7**	6
Total Business Solutions	**387**	384
Media:		
Advertising	**838**	870
Subscription	**511**	474
Retail	**352**	325
Other	**452**	477
Total Media	**2,153**	2,146
Corporate items and intercompany eliminations	**(206)**	(193)
Total revenue	**14,143**	13,702

NOTE 6: OPERATING COSTS

(In millions of dollars)	Years ended December 31 2017	2016
Cost of equipment sales and direct sales channel subsidies	**2,039**	1,954
Merchandise for resale	**237**	209
Other external purchases	**4,429**	4,435
Employee salaries and benefits and stock-based compensation	**2,120**	2,073
Total operating costs	**8,825**	8,671

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

ACCOUNTING POLICY

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 19); 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 5 years
Leasehold improvements	Straight-line	Over shorter of estimated useful life or lease term
Equipment and vehicles	Diminishing balance	3 to 20 years

We recognize all costs related to subscriber acquisition and retention in net income as incurred, except connection and installation costs that relate to the cable network, which are capitalized and depreciated over the expected life of the Cable customer.

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
We test non-financial assets with finite useful lives for impairment whenever an event or change in circumstances indicates that their carrying amounts may not be recoverable. The asset is impaired if the recoverable amount is less than the carrying amount. If we cannot estimate the recoverable amount of an individual asset because it does not generate independent cash inflows, we test the entire cash generating unit (CGU) for impairment.

A CGU is the smallest identifiable group of assets that generates cash inflows largely independent of the cash inflows from other assets or groups of assets.

Recognition and measurement of an impairment charge
An item of property, plant and equipment, 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 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 if we had not recognized an impairment loss in previous years.

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.

In 2017, we reviewed the depreciation rates for all of our property, plant and equipment. The review resulted in an increase in the estimated useful lives of certain of our wireless network infrastructure assets. These changes have been applied prospectively. They did not have a material effect on our financial statements in 2017 and they will not have a material effect on depreciation in future periods.

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 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 periods of five to ten years, depending on the CGU, 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

(In millions of dollars)	December 31, 2017			December 31, 2016			December 31, 2015		
	Cost	Accumulated depreciation	**Net carrying amount**	Cost	Accumulated depreciation	Net carrying amount	Cost	Accumulated depreciation	Net carrying amount
Land and buildings	1,090	(397)	**693**	1,062	(375)	687	998	(347)	651
Cable and wireless networks	20,252	(13,206)	**7,046**	20,108	(13,035)	7,073	20,900	(13,579)	7,321
Computer equipment and software	4,996	(2,807)	**2,189**	4,296	(2,424)	1,872	5,294	(3,421)	1,873
Customer premise equipment	1,565	(1,090)	**475**	1,560	(1,156)	404	1,658	(1,197)	461
Leasehold improvements	496	(220)	**276**	457	(193)	264	423	(175)	248
Equipment and vehicles	1,246	(782)	**464**	1,169	(720)	449	1,311	(868)	443
Total property, plant and equipment	29,645	(18,502)	**11,143**	28,652	(17,903)	10,749	30,584	(19,587)	10,997

The tables below summarize the changes in the net carrying amounts of property, plant and equipment during 2017 and 2016.

(In millions of dollars)	December 31, 2016				December 31, 2017
	Net carrying amount	Additions [1]	Depreciation	Other [2]	**Net carrying amount**
Land and buildings	687	61	(30)	(25)	**693**
Cable and wireless networks	7,073	1,125	(1,150)	(2)	**7,046**
Computer equipment and software	1,872	867	(549)	(1)	**2,189**
Customer premise equipment	404	315	(244)	—	**475**
Leasehold improvements	264	40	(28)	—	**276**
Equipment and vehicles	449	102	(86)	(1)	**464**
Total property, plant and equipment	10,749	2,510	(2,087)	(29)	**11,143**

[1] Excludes proceeds on disposition of $74 million (see note 28).
[2] Includes disposals, reclassifications, and other adjustments.

(In millions of dollars)	December 31, 2015				December 31, 2016
	Net carrying amount	Additions	Depreciation	Impairment	Other [1]	Net carrying amount
Land and buildings	651	64	(28)	—	—	687
Cable and wireless networks	7,321	1,173	(1,216)	(205)	—	7,073
Computer equipment and software	1,873	732	(522)	(207)	(4)	1,872
Customer premise equipment	461	240	(296)	—	(1)	404
Leasehold improvements	248	46	(30)	—	—	264
Equipment and vehicles	443	97	(91)	—	—	449
Total property, plant and equipment	10,997	2,352	(2,183)	(412)	(5)	10,749

[1] Includes disposals, reclassifications, and other adjustments.

Property, plant and equipment not yet in service and therefore not subject to depreciation as at December 31, 2017 was $1,076 million (2016 - $949 million). During 2017, capitalized interest pertaining to property, plant and equipment was recognized at a weighted average rate of approximately 4.0% (2016 - 3.9%).

In 2017, we disposed of certain land and building assets with a net carrying amount of $25 million. We received total proceeds of $74 million for these assets, thereby recognizing a $49 million gain on disposition.

Annually, we perform an analysis to identify fully depreciated assets that have been disposed of. In 2017, this resulted in an adjustment to cost and accumulated depreciation of $1,136 million (2016 - $3,557 million). The disposals had nil impact on the Consolidated Statements of Income.

IMPAIRMENT OF ASSETS AND RELATED ONEROUS CONTRACT CHARGES

During the year ended December 31, 2016, we recorded a total charge of $484 million for asset impairment and onerous contracts related to our legacy Internet Protocol television (IPTV) product. This charge is included within "restructuring, acquisition and other" on our Consolidated Statements of Income (see note 9).

(In millions of dollars)	Year ended December 31, 2016
Impairment of property, plant and equipment	412
Onerous contracts and other	72
Total impairment of assets and related onerous contract charges	484

The $484 million charge related to a change in strategic direction such that we discontinued the internal development of our legacy IPTV product in lieu of a forthcoming IPTV product being developed in tandem with Comcast Corporation. We have determined there is no significant salvage value for any of the assets that were impaired as determined based upon fair value less costs of disposal. The onerous contracts charges primarily represent the remaining contractual liabilities for the development of our IPTV product and were recognized in accounts payable and accrued liabilities. All related charges impacted our Cable segment.

NOTE 8: 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 into depreciation and amortization on the Consolidated Statements of Income, except programming rights, which are amortized into operating costs 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
Roaming agreements	12 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.

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 periods of five to ten years, depending on the CGU, 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.

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.

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

(In millions of dollars)	December 31, 2017				December 31, 2016				December 31, 2015			
	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	6,600	—	—	**6,600**	6,416	—	—	6,416	6,416	—	—	6,416
Broadcast licences	329	—	(99)	**230**	329	—	(99)	230	324	—	(99)	225
Brand names	420	(270)	(14)	**136**	420	(270)	(14)	136	420	(270)	(14)	136
Finite-life intangible assets:												
Customer relationships	1,609	(1,525)	—	**84**	1,609	(1,470)	—	139	1,609	(1,414)	—	195
Roaming agreements	524	(524)	—	**—**	524	(524)	—	—	523	(488)	—	35
Marketing agreements	10	(10)	—	**—**	10	(10)	—	—	10	(10)	—	—
Acquired program rights	263	(64)	(5)	**194**	289	(75)	(5)	209	332	(91)	(5)	236
Total intangible assets	9,755	(2,393)	(118)	**7,244**	9,597	(2,349)	(118)	7,130	9,634	(2,273)	(118)	7,243
Goodwill	4,126	—	(221)	**3,905**	4,126	—	(221)	3,905	4,126	—	(221)	3,905
Total intangible assets and goodwill	13,881	(2,393)	(339)	**11,149**	13,723	(2,349)	(339)	11,035	13,760	(2,273)	(339)	11,148

The tables below summarize the changes in the net carrying amounts of intangible assets and goodwill in 2017 and 2016.

(In millions of dollars)	December 31, 2016				December 31, 2017
	Net carrying amount	Net additions	Amortization [1]	Other [2]	**Net carrying amount**
Spectrum licences	6,416	184	—	—	**6,600**
Broadcast licences	230	11	—	(11)	**230**
Brand names	136	—	—	—	**136**
Customer relationships	139	—	(55)	—	**84**
	6,921	195	(55)	(11)	**7,050**
Acquired program rights	209	59	(64)	(10)	**194**
Total intangible assets	7,130	254	(119)	(21)	**7,244**
Goodwill	3,905	—	—	—	**3,905**
Total intangible assets and goodwill	11,035	254	(119)	(21)	**11,149**

[1] Of the $119 million of total amortization, $64 million related to acquired program rights is included in other external purchases in operating costs (see note 6), and $55 million in depreciation and amortization on the Consolidated Statements of Income.
[2] Includes disposals, writedowns, reclassifications, and other adjustments.

(In millions of dollars)	December 31, 2015				December 31, 2016
	Net carrying amount	Net additions	Amortization [1]	Other [2]	Net carrying amount
Spectrum licences	6,416	—	—	—	6,416
Broadcast licences	225	—	—	5	230
Brand names	136	—	—	—	136
Customer relationships	195	—	(58)	2	139
Roaming agreements	35	—	(35)	—	—
	7,007	—	(93)	7	6,921
Acquired program rights	236	46	(71)	(2)	209
Total intangible assets	7,243	46	(164)	5	7,130
Goodwill	3,905	—	—	—	3,905
Total intangible assets and goodwill	11,148	46	(164)	5	11,035

[1] Of the $164 million of total amortization, $71 million related to acquired program rights is included in other external purchases in operating costs (see note 6), and $93 million in depreciation and amortization on the Consolidated Statements of Income.
[2] Includes disposals, writedowns, reclassifications, and other adjustments.

There were no acquisitions from business combinations for the years ended December 31, 2017 or 2016.

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 2017 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	6,733	Value in use	5	0.5	7.9
Cable	1,379	—	Value in use	5	1.0	7.6
Media	937	241	Fair value less cost to sell	5	2.0	12.0

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 2017 or 2016 because the recoverable amounts of the CGUs exceeded their carrying values.

NOTE 9: RESTRUCTURING, ACQUISITION AND OTHER

During the year ended December 31, 2017, we incurred $152 million (2016 - $644 million) in restructuring, acquisition and other expenses. These expenses in 2017 primarily consisted of severance costs associated with the targeted restructuring of our employee base and certain contract termination costs. In 2016, in addition to the $484 million impairment of assets and related onerous contract charges (see note 7), these expenses primarily consisted of severance costs associated with the targeted restructuring of our employee base and costs related to the wind-down of and changes to certain businesses. In 2017, the impairment of assets and related onerous contract charges (see note 7) has been reported within restructuring, acquisition and other compared to a separate classification in the Consolidated Statements of Income in 2016.

NOTE 10: FINANCE COSTS

		Years ended December 31	
(In millions of dollars)	*Note*	**2017**	2016
Interest on borrowings [1]		**740**	758
Interest on post-employment benefits liability	*22*	**12**	9
(Gain) loss on foreign exchange		**(107)**	13
Change in fair value of derivative instruments		**99**	(16)
Capitalized interest		**(18)**	(18)
Other		**20**	15
Total finance costs		**746**	761

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

FOREIGN EXCHANGE

We recognized $107 million in net foreign exchange gains in 2017 (2016 - $13 million in net losses). These gains in 2017 were primarily attributed to our US dollar-denominated commercial paper (US CP) program borrowings and the US dollar-denominated borrowings under our bank credit facilities that were not hedged for accounting purposes (see note 16). These foreign exchange gains were partially offset by the $99 million loss related to the change in fair value of derivatives (2016 - $16 million gain), which was primarily attributed to the debt derivatives we used to partially offset the foreign exchange risk related to these US dollar-denominated borrowings. In 2016, these foreign exchange losses were primarily attributed to the US dollar-denominated borrowings under our bank credit facilities that were not hedged for accounting purposes. These losses in 2016 were offset by the change in fair value of the derivatives, which was primarily a result of our debt derivatives that were used to offset the foreign exchange risk related to these US dollar-denominated borrowings.

NOTE 11: OTHER (INCOME) EXPENSE

(In millions of dollars)	Note	Years ended December 31 2017	2016
(Income) losses from associates and joint ventures	17	**(14)**	216
Net loss on divestitures pertaining to investments		**—**	11
Other investment income		**(5)**	(36)
Total other (income) expense		**(19)**	191

In 2016, we announced the decision to wind down our shomi joint venture. As a result of that decision, we recognized a net loss of $140 million, which was recorded in losses from associates and joint ventures, associated with the writedown of the investment and the estimated cost of our share of the remaining contractual obligations of shomi (most significantly video content costs). In 2017, we recognized a $20 million provision reversal related to the wind-down of shomi, which accompanied the windup of the partnership (see note 17). This reversal was recorded in income from associates and joint ventures (see note 19).

NOTE 12: 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 2017	2016
Current tax expense:		
Total current tax expense	**351**	386
Deferred tax expense (recovery):		
Origination (reversal) of temporary differences	**282**	(65)
Revaluation of deferred tax balances due to legislative changes	**2**	3
Total deferred tax expense (recovery)	**284**	(62)
Total income tax expense	**635**	324

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.

(In millions of dollars, except rates)	Years ended December 31 2017	2016
Statutory income tax rate	**26.7%**	26.6%
Income before income tax expense	**2,346**	1,159
Computed income tax expense	**626**	308
Increase (decrease) in income tax expense resulting from:		
Non-deductible stock-based compensation	**9**	5
Non-deductible portion of equity losses	**—**	18
Non-deductible loss on available-for-sale investments	**7**	—
Income tax adjustment, legislative tax change	**2**	3
Non-taxable portion of capital gain	**(10)**	(7)
Other	**1**	(3)
Total income tax expense	**635**	324
Effective income tax rate	**27.1%**	28.0%

DEFERRED TAX ASSETS AND LIABILITIES

(In millions of dollars)	As at December 31 2017	2016
Deferred tax assets	**3**	8
Deferred tax liabilities	**(2,206)**	(1,917)
Net deferred tax liability	**(2,203)**	(1,909)

Below is a summary of the movement of net deferred tax assets and liabilities during2017 and 2016.

Deferred tax assets (liabilities) (In millions of dollars)	Property, plant and equipment and inventory	Goodwill and other intangibles	Investments	Non-capital loss carryforwards	Other	Total
January 1, 2017	(947)	(953)	(61)	24	28	(1,909)
Expense in net income	(113)	(117)	(3)	(6)	(45)	(284)
(Expense) recovery in other comprehensive income	—	—	(62)	—	57	(5)
Other	—	(5)	—	—	—	(5)
December 31, 2017	**(1,060)**	**(1,075)**	**(126)**	**18**	**40**	**(2,203)**

Deferred tax assets (liabilities) (In millions of dollars)	Property, plant and equipment and inventory	Goodwill and other intangibles	Stub period income and partnership reserve	Investments	Non-capital loss carryforwards	Other	Total
January 1, 2016	(921)	(844)	(178)	(61)	32	(85)	(2,057)
(Expense) recovery in net income	(26)	(109)	178	7	(8)	20	62
(Expense) recovery in other comprehensive income	—	—	—	(7)	—	93	86
December 31, 2016	(947)	(953)	—	(61)	24	28	(1,909)

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

	As at December 31	
(In millions of dollars)	**2017**	2016
Capital losses in Canada that can be applied against future capital gains	**—**	1
Tax losses in foreign jurisdictions that expire between 2023 and 2036	**41**	36
Deductible temporary differences in foreign jurisdictions	**23**	14
Total unrecognized temporary differences	**64**	51

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 are not expected to result in any significant tax implications.

NOTE 13: 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 the Company, they are considered potentially dilutive and are included in the calculation of the Company's 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)	**2017**	2016
Numerator (basic) - Net income for the year	**1,711**	835
Denominator - Number of shares (in millions):		
Weighted average number of shares outstanding - basic	**515**	515
Effect of dilutive securities (in millions):		
Employee stock options and restricted share units	**2**	2
Weighted average number of shares outstanding - diluted	**517**	517
Earnings per share:		
Basic	**$3.32**	$1.62
Diluted	**$3.31**	$1.62

For the twelve months ended December 31, 2017, there were 489,835 options out of the money (2016 - nil) 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 14: ACCOUNTS RECEIVABLE

ACCOUNTING POLICY

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)	**2017**	2016
Customer accounts receivable	**1,515**	1,455
Other accounts receivable	**587**	553
Allowance for doubtful accounts	**(61)**	(59)
Total accounts receivable	**2,041**	1,949

NOTE 15: INVENTORIES

ACCOUNTING POLICY

We measure inventories, including wireless devices and merchandise for resale, at the lower of cost (determined on a first-in, first-out basis) 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)	**2017**	2016
Wireless devices and accessories	**251**	236
Other finished goods and merchandise	**62**	79
Total inventories	**313**	315

Cost of equipment sales and merchandise for resale includes $2,231 million (2016 - $2,088 million) of inventory costs for 2017.

NOTE 16: FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

ACCOUNTING POLICY

Recognition
We initially recognize cash and cash equivalents, bank advances, accounts receivable, 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 or loss, 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	Measurement method
Financial assets		
Cash and cash equivalents	Loans and receivables	Amortized cost
Accounts receivable	Loans and receivables	Amortized cost
Investments, available-for-sale	Available-for-sale [1]	Fair value
Financial liabilities		
Bank advances	Other financial liabilities	Amortized cost
Short-term borrowings	Other financial liabilities [2]	Amortized cost
Accounts payable	Other financial liabilities	Amortized cost
Accrued liabilities	Other financial liabilities	Amortized cost
Long-term debt	Other financial liabilities [2]	Amortized cost
Derivatives [3]		
Debt derivatives [4]	Held-for-trading	Fair value
Bond forwards	Held-for-trading	Fair value
Expenditure derivatives	Held-for-trading	Fair value
Equity derivatives	Held-for-trading [5]	Fair value

1 Subsequently measured at fair value with changes recognized in other comprehensive income. The net change subsequent to initial recognition, in the case of investments, is reclassified into net income upon disposal of the investment or when the investment becomes impaired.
2 Subsequently measured at amortized cost using the effective interest method.
3 The 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.
4 Debt derivatives related to our credit facility and commercial paper borrowings have not been designated as hedges for accounting purposes.
5 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:

Derivative	The risk they manage	Types of derivative instruments
Debt derivatives	• Impact of fluctuations in foreign exchange rates on principal and interest payments for US dollar-denominated long-term debt	• 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 forecasted interest payments for expected long-term debt	• Forward interest rate agreements
Expenditure derivatives	• Impact of fluctuations in foreign exchange rates on forecasted US dollar-denominated expenditures	• Forward foreign exchange 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 requiring separation from the host contracts and account for these embedded derivatives as separate derivatives when we first become party to a contract.

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

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

Available-for-sale financial assets reserve
The available-for-sale financial assets reserve represents the accumulated change in fair value of our available-for-sale investments, less accumulated impairment losses related to the investments and accumulated amounts reclassified into net income upon disposal of investments.

Impairment testing
We consider a financial asset impaired if there is objective evidence that one or more events have had a negative effect on its estimated future cash flows and the effect can be reliably estimated. Financial assets that are significant in value are tested for impairment individually. All other financial assets are assessed collectively based on the nature of each asset.

We measure impairment for financial assets as follows:

- *loans and receivables* - we measure an impairment loss for loans and receivables as the excess of the carrying amount of the asset over the present value of future cash flows we expect to derive from it, if any. The difference is allocated to an allowance for doubtful accounts and recognized as a loss in net income.
- *available-for-sale financial assets* - we measure an impairment loss on available-for-sale financial assets 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 reclassified from the available-for-sale reserve in shareholders' equity to net income.

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 forecasted transactions designated as hedged items in hedging relationships will materialize as forecasted, 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 risk exposure by financial instrument.

Financial instrument	Financial risks
Financial assets	
Cash and cash equivalents	Credit and foreign exchange
Accounts receivable	Credit and foreign exchange
Investments, available-for-sale	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
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 and to our debt and expenditure derivatives. Our broad customer base limits the concentration of this risk. Our accounts receivable on the Consolidated Statements of Financial Position are net of allowances for doubtful accounts, which management estimates based on prior experience and an assessment of the current economic environment. We believe that our allowance for doubtful accounts sufficiently reflects the credit risk associated with our accounts receivable. As at December 31, 2017, $489 million (2016 - $541 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 summary of the aging of our customer accounts receivable.

	As at December 31	
(In millions of dollars)	**2017**	2016
Customer accounts receivables (net of allowance for doubtful accounts)		
Less than 30 days past billing date	**896**	849
30-60 days past billing date	**303**	298
61-90 days past billing date	**113**	134
Greater than 90 days past billing date	**73**	115
Total	**1,385**	1,396

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

(In millions of dollars)	Years ended December 31 **2017**	2016
Balance, beginning of year	**59**	86
Allowance for doubtful accounts expense	**88**	54
Net use	**(86)**	(81)
Balance, end of year	**61**	59

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.

Credit risk related to our debt derivatives, bond forwards, 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, 2017 and 2016.

December 31, 2017 (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
Bank advances	6	6	6	—	—	—
Short-term borrowings	1,585	1,585	1,585	—	—	—
Accounts payable and accrued liabilities	2,931	2,931	2,931	—	—	—
Long-term debt	14,448	14,555	1,756	1,800	2,050	8,949
Other long-term financial liabilities	9	9	2	3	2	2
Expenditure derivative instruments:						
Cash outflow (Canadian dollar)	—	1,538	1,093	445	—	—
Cash inflow (Canadian dollar equivalent of US dollar)	—	(1,506)	(1,054)	(452)	—	—
Equity derivative instruments	—	(68)	(68)	—	—	—
Debt derivative instruments accounted for as hedges:						
Cash outflow (Canadian dollar)	—	7,417	1,435	—	—	5,982
Cash inflow (Canadian dollar equivalent of US dollar) [1]	—	(8,405)	(1,756)	—	—	(6,649)
Debt derivative instruments not accounted for as hedges:						
Cash outflow (Canadian dollar)	—	956	956	—	—	—
Cash inflow (Canadian dollar equivalent of US dollar) [1]	—	(934)	(934)	—	—	—
Bond forwards	—	64	64	—	—	—
Net carrying amount of derivatives (asset)	(1,094)					
	17,885	18,148	6,016	1,796	2,052	8,284

[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, 2016 (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
Bank advances	71	71	71	—	—	—
Short-term borrowings	800	800	800	—	—	—
Accounts payable and accrued liabilities	2,783	2,783	2,783	—	—	—
Long-term debt	16,080	16,197	750	3,081	2,350	10,016
Other long-term financial liabilities	18	18	—	12	3	3
Expenditure derivative instruments:						
Cash outflow (Canadian dollar)	—	1,708	1,240	468	—	—
Cash inflow (Canadian dollar equivalent of US dollar)	—	(1,732)	(1,249)	(483)	—	—
Equity derivative instruments	—	(8)	(8)	—	—	—
Debt derivative instruments accounted for as hedges:						
Cash outflow (Canadian dollar)	—	7,417	—	1,435	—	5,982
Cash inflow (Canadian dollar equivalent of US dollar) [1]	—	(8,996)	—	(1,880)	—	(7,116)
Debt derivative instruments not accounted for as hedges:						
Cash outflow (Canadian dollar)	—	201	201	—	—	—
Cash inflow (Canadian dollar equivalent of US dollar) [1]	—	(201)	(201)	—	—	—
Bond forwards	—	51	—	51	—	—
Net carrying amount of derivatives (asset)	(1,659)					
	18,093	18,309	4,387	2,684	2,353	8,885

[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, 2017 and 2016.

December 31, 2017 (in millions of dollars)	Less than 1 year	1 to 3 years	4 to 5 years	More than 5 years
Net interest payments	712	1,160	908	5,409

December 31, 2016 (in millions of dollars)	Less than 1 year	1 to 3 years	4 to 5 years	More than 5 years
Net interest payments	727	1,294	1,033	5,832

MARKET PRICE RISK

Market price risk is the risk that changes in market prices, such as fluctuations in the market prices of our available-for-sale investments 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 the change 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 Shares 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 and short-term borrowings. We designate the debt derivatives related to our senior notes and senior debentures as hedges for accounting purposes against the foreign exchange risk associated with specific debt instruments. 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 forecasted operational and capital expenditures. As at December 31, 2017, all of our US dollar-denominated long-term debt and short-term borrowings 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, 2017.

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. We were previously exposed to risk of changes in market interest rates due to our $250 million floating rate senior unsecured notes that were repaid this year. As at December 31, 2017, 89.5% of our outstanding long-term debt and short-term borrowings was at fixed interest rates (2016 - 91.2%).

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, 2017 and 2016 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)	**2017**	2016	**2017**	2016
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$	**—**	—	**9**	9
Short-term borrowings				
1% change in interest rates	**12**	6	**—**	—
Senior notes (floating)				
1% change in interest rates	**—**	2	**—**	—
Bank credit facilities (floating)				
1% change in interest rates	**—**	2	**—**	—

DERIVATIVE INSTRUMENTS

As at December 31, 2017 and 2016, 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.

			As at December 31, 2017	
(In millions of dollars, except exchange rates)	Notional amount (US$)	Exchange rate	Notional amount (Cdn$)	Fair value (Cdn$)
Debt derivatives accounted for as cash flow hedges:				
As assets	5,200	1.0401	5,409	**1,301**
As liabilities	1,500	1.3388	2,008	**(149)**
Short-term debt derivatives not accounted for as hedges:				
As liabilities	746	1.2869	960	**(23)**
Net mark-to-market debt derivative asset				**1,129**
Bond forwards accounted for as cash flow hedges:				
As liabilities			900	**(64)**
Expenditure derivatives accounted for as cash flow hedges:				
As assets	240	1.2239	294	**5**
As liabilities	960	1.2953	1,243	**(44)**
Net mark-to-market expenditure derivative liability				**(39)**
Equity derivatives not accounted for as hedges:				
As assets			276	**68**
Net mark-to-market asset				**1,094**

(In millions of dollars, except exchange rates)	Notional amount (US$)	Exchange rate	Notional amount (Cdn$)	Fair value (Cdn$)
	As at December 31, 2016			
Debt derivatives accounted for as cash flow hedges:				
As assets	5,200	1.0401	5,409	1,751
As liabilities	1,500	1.3388	2,008	(68)
Short-term debt derivatives not accounted for as hedges:				
As liabilities	150	1.3407	201	—
Net mark-to-market debt derivative asset				1,683
Bond forwards accounted for as cash flow hedges:				
As liabilities	—	—	900	(51)
Expenditure derivatives accounted for as cash flow hedges:				
As assets	990	1.2967	1,284	40
As liabilities	300	1.4129	424	(21)
Net mark-to-market expenditure derivative asset				19
Equity derivatives not accounted for as hedges:				
As assets	—	—	270	8
Net mark-to-market asset				1,659

Below is a summary of the net cash payments on debt derivatives and forward contracts.

(In millions of dollars)	Years ended December 31	
	2017	2016
Proceeds on debt derivatives related to US commercial paper	**9,692**	—
Proceeds on debt derivatives related to credit facility borrowings	**2,310**	11,167
Total proceeds on debt derivatives	**12,002**	11,167
Payments on debt derivatives related to US commercial paper	**(9,754)**	—
Payments on debt derivatives related to credit facility borrowings	**(2,327)**	(11,159)
Payments on termination of forward contracts	**—**	(53)
Total payments on debt derivatives and forward contracts	**(12,081)**	(11,212)
Net payments on settlement of debt derivatives and forward contracts	**(79)**	(45)

Below is a summary of the changes in fair value of our derivative instruments for 2017 and 2016.

Year ended December 31, 2017 (In millions of dollars)	Debt derivatives (hedged)	Debt derivatives (unhedged)	Bond forwards	Expenditure derivatives	Equity derivatives	Total instruments
Derivative instruments, beginning of period	1,683	—	(51)	19	8	**1,659**
Proceeds received from settlement of derivatives	—	(12,002)	—	(1,207)	(6)	**(13,215)**
Payment on derivatives entered	—	12,081	—	1,240	—	**13,321**
(Decrease) increase in fair value of derivatives	(531)	(102)	(13)	(91)	66	**(671)**
Derivative instruments, end of period	1,152	(23)	(64)	(39)	68	**1,094**
Mark-to-market asset	1,301	—	—	5	68	**1,374**
Mark-to-market liability	(149)	(23)	(64)	(44)	—	**(280)**
Mark-to-market asset (liability)	1,152	(23)	(64)	(39)	68	**1,094**

Year ended December 31, 2016 (In millions of dollars)	Debt derivatives (hedged)	Debt derivatives (unhedged)	Bond forwards	Expenditure derivatives	Equity derivatives	Total instruments
Derivative instruments, beginning of period	2,028	—	(91)	158	(15)	2,080
Proceeds received from settlement of derivatives	—	(11,167)	—	(1,116)	(2)	(12,285)
Payment on derivatives entered	—	11,159	53	1,025	—	12,237
(Decrease) increase in fair value of derivatives	(345)	8	(13)	(48)	25	(373)
Derivative instruments, end of period	1,683	—	(51)	19	8	1,659
Mark-to-market asset	1,751	—	—	40	8	1,799
Mark-to-market liability	(68)	—	(51)	(21)	—	(140)
Mark-to-market asset (liability)	1,683	—	(51)	19	8	1,659

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)	**2017**	2016
Current asset	**421**	91
Long-term asset	**953**	1,708
	1,374	1,799
Current liability	**(133)**	(22)
Long-term liability	**(147)**	(118)
	(280)	(140)
Net mark-to-market asset	**1,094**	1,659

As at December 31, 2017, US$6.7 billion notional amount of our outstanding debt derivatives have been designated as hedges for accounting purposes (2016 - US$6.7 billion). As at December 31, 2017, 100% of our currently outstanding bond forwards and expenditure derivatives have been designated as hedges for accounting purposes (2016 - 100%). In 2017, we recognized a $3 million increase to net income related to hedge ineffectiveness (2016 - $5 million increase).

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 18). 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 2017 and 2016, we entered into and settled debt derivatives related to our credit facility borrowings and US CP program as follows:

(In millions of dollars, except exchange rates)	Year ended December 31, 2017 Notional (US$)	Exchange rate	Notional (Cdn$)
Credit facilities			
Debt derivatives entered	**1,610**	**1.32**	**2,126**
Debt derivatives settled	**1,760**	**1.32**	**2,327**
Net cash paid			**(17)**
Commercial paper program			
Debt derivatives entered	**8,266**	**1.30**	**10,711**
Debt derivatives settled	**7,521**	**1.29**	**9,692**
Net cash paid			**(62)**

(In millions of dollars, except exchange rates)	Year ended December 31, 2016 Notional (US$)	Exchange rate	Notional (Cdn$)
Credit facilities			
Debt derivatives entered	8,683	1.31	11,360
Debt derivatives settled	8,533	1.31	11,159
Net cash received			8

We did not enter into any debt derivatives related to senior notes in 2017. In 2016, 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 on November 4, 2016 (see note 20). Below is a summary of the debt derivatives we entered into to hedge senior notes issued during 2016.

(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$)
November 4, 2016	500	2026	2.900%	2.834%	671

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

We did not settle any debt derivatives related to senior notes during 2017 and 2016.

Bond forwards
During 2017 or 2016, we did not enter into any new bond forwards.

Below is a summary of the bond forwards into which we have entered to hedge the underlying Government of Canada (GoC) 10-year rate for anticipated future debt that were outstanding as at December 31, 2017 and 2016.

(In millions of dollars, except interest rates)

GoC term (years)	Effective date	Maturity date [1]	Notional amount	Hedged GoC interest rate as at December 31, 2017	Hedged GoC interest rate as at December 31, 2016 [1]	**2017**	2016
10	December 2014	April 30, 2018	500	2.85%	2.52%	**500**	500
30	December 2014	December 31, 2018	400	2.65%	2.62%	**400**	400
Total			900			**900**	900

[1] Bond forwards with maturity dates beyond December 31, 2017 are subject to GoC rate re-setting from time to time. The $400 million due in December 2018 was extended in December 2017 such that its rate will reset in April 2018.

On November 4, 2016, we exercised a $500 million notional bond forward due January 4, 2017 in relation to the issuance of the US$500 million senior notes due 2026 and paid $53 million to settle the derivative. The amount paid represents the fair value of the bond forward at the time of settlement and will be reclassified into finance costs from the hedging reserve using the effective interest rate method over the life of the US$500 million senior notes due 2026.

Expenditure derivatives
Below is a summary of the expenditure derivatives into which we entered during 2017 and 2016 to manage foreign exchange risk related to certain forecasted expenditures.

	Years ended December 31					
	2017			2016		
(In millions of dollars, except exchange rates)	Notional (US$)	Exchange rate	Notional (Cdn$)	Notional (US$)	Exchange rate	Notional (Cdn$)
Expenditure derivatives entered	**840**	**1.27**	**1,070**	990	1.33	1,318
Expenditure derivatives settled	**930**	**1.33**	**1,240**	840	1.22	1,025

As at December 31, 2017, we had US$1,200 million of expenditure derivatives outstanding (2016 - US$1,290 million), at an average rate of $1.28/US$ (2016 - $1.32/US$), with terms to maturity ranging from January 2018 to December 2019 (2016 - January 2017 to December 2018). Our outstanding expenditure derivatives maturing in 2018 are 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 24). 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 2017, 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 2018 (from April 2017). The equity derivatives have not been designated as hedges for accounting purposes.

During 2017, we settled existing equity derivatives for net proceeds of $6 million and entered into new derivatives on 1.0 million Class B Non-Voting Shares with an expiry date of March 2018. In August 2016, we settled 0.3 million equity derivatives at a weighted average price of $58.16 as a result of a reduction in the number of share-based compensation units outstanding.

During 2017, we recognized a recovery, net of interest receipts, of $74 million (2016 - $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, 2017, the fair value of the equity derivatives was an asset of $68 million (2016 - $8 million asset), which is included in current portion of derivative instruments.

As at December 31, 2017, we had equity derivatives outstanding for 5.4 million (2016 - 5.4 million) Class B Non-Voting Shares with a weighted average price of $51.44 (2016 - $50.30).

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 nature of these financial instruments.

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, 2017 and 2016 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)	**2017**	2016	**2017**	2016	**2017**	2016
Financial assets						
Available-for-sale, measured at fair value:						
Investments in publicly-traded companies	**1,465**	1,047	**1,465**	1,047	**—**	—
Held-for-trading:						
Debt derivatives accounted for as cash flow hedges	**1,301**	1,751	**—**	—	**1,301**	1,751
Expenditure derivatives accounted for as cash flow hedges	**5**	40	**—**	—	**5**	40
Equity derivatives not accounted for as cash flow hedges	**68**	8	—	—	**68**	8
Total financial assets	**2,839**	2,846	**1,465**	1,047	**1,374**	1,799
Financial liabilities						
Held-for-trading:						
Debt derivatives accounted for as cash flow hedges	**149**	68	**—**	—	**149**	68
Debt derivatives not accounted for as hedges	**23**	—	**—**	—	**23**	—
Bond forwards accounted for as cash flow hedges	**64**	51	**—**	—	**64**	51
Expenditure derivatives accounted for as cash flow hedges	**44**	21	**—**	—	**44**	21
Total financial liabilities	**280**	140	**—**	—	**280**	140

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

				As at December 31
(In millions of dollars)	**2017**		2016	
	Carrying amount	Fair value [1]	Carrying amount	Fair value [1]
Long-term debt (including current portion)	**14,448**	**16,134**	16,080	17,628

[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, 2017 and 2016.

NOTE 17: INVESTMENTS

ACCOUNTING POLICY

Investments in publicly-traded and private companies
We classify our investments in companies where we have no control or significant influence as available-for-sale investments and 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)	**2017**	2016
Investments in:		
Publicly-traded companies	**1,465**	1,047
Private companies	**167**	169
Investments, available-for-sale	**1,632**	1,216
Investments, associates and joint ventures	**929**	958
Total investments	**2,561**	2,174

INVESTMENTS, AVAILABLE-FOR-SALE

Publicly-traded companies
We hold a number of interests in publicly-traded companies. This year we recognized realized losses of nil and unrealized gains of $418 million (2016 - nil of realized losses and $81 million of unrealized gains) with corresponding amounts in net income and other comprehensive income, respectively.

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 Air Canada Centre, 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.

shomi
shomi was a joint venture equally owned by Rogers and Shaw and previously operated a premium subscription video-on-demand service offering movies and television series for viewing online and through cable set-top boxes. Our investment in shomi was accounted for as a joint venture using the equity method. In 2016, we announced the decision to wind down our shomi joint venture (see note 11). In 2017, the remaining assets associated with shomi were transferred to their respective partners and the partnership was officially wound up.

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)	**2017**	2016
Current assets	**515**	518
Long-term assets	**3,269**	3,391
Current liabilities	**(1,184)**	(1,186)
Long-term liabilities	**(825)**	(1,082)
Total net assets	**1,775**	1,641
Our share of net assets	**927**	834
Revenue	**1,706**	1,596
Expenses	**(1,686)**	(2,027)
Net income (loss)	**20**	(431)
Our share of net income (loss)	**14**	(216)

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 18: SHORT-TERM BORROWINGS

Below is a summary of our short-term borrowings as at December 31,2017 and 2016.

	As at December 31	
(In millions of dollars)	**2017**	2016
Accounts receivable securitization program	**650**	800
US commercial paper program	**935**	—
Total short-term borrowings	**1,585**	800

Below is a summary of the activity relating to our short-term borrowings for the years ended December 31,2017 and 2016.

	Year ended December 31, 2017			Year ended December 31, 2016		
(In millions of dollars, except exchange rates)	Notional (US$)	Exchange rate	Notional (Cdn$)	Notional (US$)	Exchange rate	Notional (Cdn$)
Proceeds received from accounts receivable securitization			**530**			295
Repayment of accounts receivable securitization			**(680)**			(295)
Net repayment of accounts receivable securitization			**(150)**			—
Proceeds received from US commercial paper	**8,267**	**1.30**	**10,712**	—	—	—
Repayment of US commercial paper	**(7,530)**	**1.29**	**(9,704)**	—	—	—
Net proceeds received from US commercial paper	**737**	**1.37**	**1,008**			—
Net proceeds received on short-term borrowings			**858**			—

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, 2017, the proceeds of the sales were committed up to a maximum of $1,050 million (2016 - $1,050 million). Effective July 8, 2016, we extended the term of the program from January 1, 2018 to January 1, 2019. Effective October 27, 2017, we further extended the term of the program to November 1, 2020.

	As at December 31	
(In millions of dollars)	**2017**	2016
Trade accounts receivable sold to buyer as security	**1,355**	1,460
Short-term borrowings from buyer	**(650)**	(800)
Overcollateralization	**705**	660

	Years ended December 31	
(In millions of dollars)	**2017**	2016
Accounts receivable securitization program, beginning of period	**800**	800
Net repayment of accounts receivable securitization	**(150)**	—
Accounts receivable securitization program, end of period	**650**	800

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

In 2017, we entered into a US CP program that allowed us to issue up to a maximum aggregate principal amount of US$1 billion. In December 2017, we increased the maximum aggregate principal amount allowed under our US CP program to 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.

	Year ended December 31, 2017		
(In millions of dollars, except exchange rates)	Notional (US$)	Exchange rate	Notional (Cdn$)
US commercial paper, beginning of period	**—**	**—**	**—**
Net proceeds received from US commercial paper	**737**	**1.37**	**1,008**
Discounts on issuance [1]	**9**	**1.33**	**12**
Gain on foreign exchange [1]			**(85)**
US commercial paper, end of period	**746**	**1.25**	**935**

[1] Included in finance costs.

Concurrent with the commercial paper issuances, 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 16). We have not designated these debt derivatives as hedges for accounting purposes.

NOTE 19: 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 and depreciate the asset based on the corresponding asset's useful life following our depreciation policies for property, plant and equipment. 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 9).

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	shomi	Other	Total
December 31, 2016	35	112	20	167
Additions	—	—	1	1
Adjustments to existing provisions	4	—	—	4
Reversals	—	(20)	—	(20)
Amounts used	(4)	(92)	(17)	(113)
December 31, 2017	35	—	4	39
Current	2	—	2	4
Long-term	33	—	2	35

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.

shomi
In 2016, we announced the decision to wind down our shomi joint venture. shomi was equally owned by Rogers and Shaw. We were therefore responsible for our portion of any remaining contractual liabilities (most significantly video content costs) incurred by the venture. In 2016, we recognized a provision related to our share of the remaining obligations based on our

best estimate of the expected future costs. In 2017, we recognized a $20 million provision reversal related to the wind-down of shomi (see note 11).

Other
Other provisions include various legal claims, which are expected to be settled within five years.

NOTE 20: LONG-TERM DEBT

(In millions of dollars, except interest rates)	Due date		Principal amount	Interest rate	As at December 31 2017	2016
Bank credit facilities (Cdn$ portion)				Floating	**—**	100
Bank credit facilities (US$ portion)		US		Floating	**—**	201
Senior notes	2017		250	Floating	**—**	250
Senior notes	2017		500	3.000%	**—**	500
Senior notes	2018	US	1,400	6.800%	**1,756**	1,880
Senior notes	2019		400	2.800%	**400**	400
Senior notes	2019		500	5.380%	**500**	500
Senior notes	2020		900	4.700%	**900**	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%	**627**	671
Senior notes	2023	US	850	4.100%	**1,066**	1,141
Senior notes	2024		600	4.000%	**600**	600
Senior notes	2025	US	700	3.625%	**878**	940
Senior notes	2026	US	500	2.900%	**627**	671
Senior debentures [1]	2032	US	200	8.750%	**251**	269
Senior notes	2038	US	350	7.500%	**439**	470
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%	**627**	671
Senior notes	2043	US	650	5.450%	**816**	873
Senior notes	2044	US	1,050	5.000%	**1,318**	1,410
					14,555	16,197
Deferred transaction costs and discounts					**(107)**	(117)
Less current portion					**(1,756)**	(750)
Total long-term debt					**12,692**	15,330

[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, 2017 and 2016.

Each of the above senior notes and debentures are unsecured and, as at December 31, 2017, 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 16).

The tables below summarize the activity relating to our long-term debt for the years ended December 31, 2017 and 2016.

	Year ended December 31, 2017			Year ended December 31, 2016		
(In millions of dollars, except exchange rates)	Notional (US$)	Exchange rate	Notional (Cdn$)	Notional (US$)	Exchange rate	Notional (Cdn$)
Credit facility borrowings (Cdn$)			**1,730**			1,140
Credit facility borrowings (US$)	**960**	**1.32**	**1,269**	2,188	1.31	2,877
Total credit facility borrowings			**2,999**			4,017
Credit facility repayments (Cdn$)			**(1,830)**			(1,540)
Credit facility repayments (US$)	**(1,110)**	**1.31**	**(1,453)**	(2,038)	1.32	(2,686)
Total credit facility repayments			**(3,283)**			(4,226)
Net repayments under credit facilities			**(284)**			(209)
Senior note issuances (US$)	**—**	**—**	**—**	500	1.34	671
Senior note repayments (Cdn$)			**(750)**			(1,000)
Net repayment of senior notes			**(750)**			(329)
Net repayment of long-term debt			**(1,034)**			(538)

	Years ended December 31	
(In millions of dollars)	**2017**	2016
Long-term debt net of transaction costs, beginning of period	**16,080**	16,870
Net repayment of long-term debt	**(1,034)**	(538)
Gain on foreign exchange	**(608)**	(245)
Deferred transaction costs incurred	**(3)**	(12)
Amortization of deferred transaction costs	**13**	5
Long-term debt net of transaction costs, end of period	**14,448**	16,080

WEIGHTED AVERAGE INTEREST RATE

As at December 31, 2017, our effective weighted average interest rate on all debt and short-term borrowings, including the effect of all of the associated debt derivative and bond forward instruments, was 4.70% (2016 - 4.72%).

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 2017, we amended our revolving credit facility to, among other things, extend the maturity date of the original $2.5 billion facility from September 2020 to March 2022. In addition, we added a $700 million tranche to the facility that matures in March 2020. As a result, the total credit limit for the facility is now $3.2 billion.

In 2017, we repaid the entire balance that was outstanding under our non-revolving bank credit facility. As a result of this repayment, this facility was terminated.

Effective April 1, 2016, we amended our $2.5 billion revolving credit facility to, among other things, extend the maturity date from July 2019 to September 2020. At the same time, we also amended the $1.0 billion non-revolving credit facility to, among other things, extend the maturity date from April 2017 to April 2018. As a result of the repayments made during 2016, we reduced the amount of borrowings available under our non-revolving credit facility from $1.0 billion to $301 million.

As at December 31, 2017, we had nil drawn under our bank credit facilities (2016 - $301 million ($100 million and US$150 million)). We had entered into debt derivatives related to the US dollar-denominated portion of these borrowings to convert all the interest and principal payment obligations to Canadian dollars (see note 16) as at December 31, 2016.

As at December 31, 2017, we had available liquidity of $2.3 billion (2016 - $2.4 billion) under our $3.3 billion bank and letter of credit facilities (2016 - $2.9 billion), of which we had utilized $0.1 billion (2016 - $0.4 billion) and reserved $0.9 billion to backstop amounts outstanding under our US CP program borrowings (2016 - nil).

SENIOR NOTES AND DEBENTURES

We pay interest on all of our fixed-rate senior notes and debentures on a semi-annual basis. We paid interest on our floating rate senior notes on a quarterly 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 2016. We did not issue any senior notes in 2017.

(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$)	Transaction costs and discounts [2] (Cdn$)
2016 issuances							
November 4, 2016	US	500	2026	2.900%	98.354%	671	17

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 2016 issuance, we entered into debt derivatives to convert all interest and principal payment obligations to Canadian dollars (see note 16).

On February 8, 2018, we issued US$750 million senior notes due 2048 at a rate of 4.300%. At the same time, 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. We intend to use these funds for general corporate purposes, which may include the repayment at maturity of our outstanding commercial paper under our US CP program.

Repayment of senior notes and related derivative settlements

Below is a summary of the repayment of our senior notes during 2017 and 2016. There were no debt derivatives associated with these repayments.

(In millions of dollars)	
Maturity date	Notional amount (Cdn$)
2017 repayments	
March 2017	250
June 2017	500
Total for 2017	750
2016 repayments	
May 2016	1,000

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, 2017.

(In millions of dollars)	
2018	1,756
2019	900
2020	900
2021	1,450
2022	600
Thereafter	8,949
Total long-term debt	14,555

TERMS AND CONDITIONS
As at December 31, 2017 and 2016, 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, 2017, 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 21: OTHER LONG-TERM LIABILITIES

		As at December 31	
(In millions of dollars)	Note	**2017**	2016
Deferred pension liability	*22*	**460**	404
Supplemental executive retirement plan	*22*	**66**	62
Stock-based compensation	*24*	**66**	64
Other		**21**	32
Total other long-term liabilities		**613**	562

NOTE 22: 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
On July 1, 2016, we closed the defined benefit pension plans to new members and introduced a Defined Contribution Pension Plan. This change did not impact current members; any employee enrolled in any of the defined benefit pension plans 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. Maximum retirement benefits are primarily based on career average earnings, subject to certain adjustments. The most recent actuarial valuations were completed as at January 1, 2017.

Principal actuarial assumptions

	2017	2016
Weighted average of significant assumptions:		
Defined benefit obligation		
Discount rate	**3.7%**	4.1%
Rate of compensation increase	**3.0%**	3.0%
Mortality rate	**CIA Private with CPM B Scale**	CIA Private with CPM B Scale
Pension expense		
Discount rate	**4.1%**	4.3%
Rate of compensation increase	**3.0%**	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		Increase (decrease) in pension expense	
(In millions of dollars)	**2017**	2016	**2017**	2016
Discount rate				
Impact of 0.5% increase	**(207)**	(174)	**(25)**	(21)
Impact of 0.5% decrease	**237**	199	**27**	23
Rate of future compensation increase				
Impact of 0.25% increase	**21**	18	**4**	4
Impact of 0.25% decrease	**(21)**	(18)	**(4)**	(4)
Mortality rate				
Impact of 1 year increase	**49**	48	**6**	5
Impact of 1 year decrease	**(52)**	(49)	**(6)**	(5)

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 on July 1, 2016.Participation in the plan was voluntary and enrolled employees are required to make regular contributions into the plan. In 2009 and 2011, we purchased group annuities for our then-retirees. Accordingly, the current plan members are primarily active Rogers employees as opposed to retirees. 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 on July 1, 2016.

In addition to the defined benefit pension plans, we also 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.

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;
- 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 plan. 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 funded 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 plans are registered with the Financial Services Commission of Ontario, 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)	**2017**	2016
Plan assets, at fair value	**1,890**	1,619
Accrued benefit obligations	**(2,342)**	(2,006)
Net deferred pension liability	**(452)**	(387)
Consists of:		
Deferred pension asset	**8**	17
Deferred pension liability	**(460)**	(404)
Net deferred pension liability	**(452)**	(387)

Below is a summary of our pension fund assets.

	Years ended December 31	
(In millions of dollars)	**2017**	2016
Plan assets, beginning of year	**1,619**	1,432
Interest income	**72**	68
Remeasurements, return on plan assets recognized in other comprehensive income (loss) and equity	**92**	32
Contributions by employees	**42**	35
Contributions by employer	**145**	125
Benefits paid	**(76)**	(70)
Administrative expenses paid from plan assets	**(4)**	(3)
Plan assets, end of year	**1,890**	1,619

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

	Years ended December 31	
(In millions of dollars)	**2017**	2016
Accrued benefit obligations, beginning of year	**2,006**	1,713
Service cost	**137**	119
Interest cost	**81**	75
Benefits paid	**(76)**	(70)
Contributions by employees	**42**	35
Remeasurements, recognized in other comprehensive income and equity	**152**	134
Accrued benefit obligations, end of year	**2,342**	2,006

Below is a summary of the effect of the asset ceiling.

	Years ended December 31	
(In millions of dollars)	**2017**	2016
Asset ceiling, beginning of year	**—**	(3)
Interest	**—**	—
Remeasurements, change in asset ceiling (excluding interest income)	**—**	3
Asset ceiling, end of year	**—**	—

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)	**2017**	2016
Equity securities	**1,134**	990
Debt securities	**742**	625
Other - cash	**14**	4
Total fair value of plan assets	**1,890**	1,619

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)	**2017**	2016
Plan cost:		
Service cost	**137**	119
Net interest cost	**9**	7
Net pension expense	**146**	126
Administrative expense	**4**	3
Total pension cost recognized in net income	**150**	129

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)	**2017**	2016
Interest income on plan assets	**(72)**	(68)
Interest cost on plan obligation	**81**	75
Net interest cost recognized in finance costs	**9**	7

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

	Years ended December 31	
(In millions of dollars)	**2017**	2016
Return on plan assets (excluding interest income)	**92**	32
Change in financial assumptions	**(168)**	(69)
Effect of experience adjustments	**16**	(65)
Change in asset ceiling	**—**	3
Remeasurement loss recognized in other comprehensive loss and equity	**(60)**	(99)

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

	Years ended December 31	
(In millions of dollars)	**2017**	2016
Accrued benefit obligation, beginning of year	**62**	56
Pension expense included in employee salaries and benefits expense	**2**	5
Net interest cost recognized in finance costs	**3**	2
Remeasurement loss recognized in other comprehensive income	**2**	2
Benefits paid	**(3)**	(3)
Accrued benefit obligation, end of year	**66**	62

We also have defined contribution plans with total pension expense of $6 million in 2017 (2016 - $3 million), which is included in employee salaries and benefits expense.

ALLOCATION OF PLAN ASSETS

	Allocation of plan assets		
	2017	2016	Target asset allocation percentage
Equity securities:			
Domestic	**11.8%**	12.4%	7% to 17%
International	**48.1%**	48.8%	33% to 63%
Debt securities	**39.3%**	38.5%	30% to 50%
Other - cash	**0.8%**	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 and corporate bonds. As a result, approximately $7 million (2016 - $2 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.

	Years ended December 31	
(In millions of dollars)	**2017**	2016
Employer contribution	**145**	125
Employee contribution	**42**	35
Total contribution	**187**	160

We estimate our 2018 employer contributions to our funded plans to be $141 million. The actual value will depend on the results of the 2018 actuarial funding valuations. The average duration of the defined benefit obligation as at December 31, 2017 is 19 years (2016 - 19 years).

Actual net return on plan assets was $160 million in 2017 (2016 - $97 million).

We have recognized a cumulative loss in other comprehensive income and retained earnings of $425 million as at December 31, 2017 (2016 - $380 million).

NOTE 23: 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 26, 2017	April 3, 2017	0.48
April 18, 2017	July 4, 2017	0.48
August 17, 2017	October 3, 2017	0.48
October 19, 2017	January 2, 2018	0.48
		1.92
January 27, 2016	April 1, 2016	0.48
April 18, 2016	July 4, 2016	0.48
August 11, 2016	October 3, 2016	0.48
October 20, 2016	January 3, 2017	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 24, 2018, the Board declared a quarterly dividend of $0.48 per Class A Voting Share and Class B Non-Voting Share, to be paid on April 3, 2018, to shareholders of record on March 12, 2018.

NOTE 24: 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 2017 and 2016 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	
	2017	2016
Weighted average fair value	**$8.52**	$6.20
Risk-free interest rate	**0.8%**	0.5%
Dividend yield	**3.2%**	3.7%
Volatility of Class B Non-Voting Shares	**21.2%**	21.3%
Weighted average expected life	**5.5 years**	4.8 years
Weighted average time to vest	**2.3 years**	2.4 years
Weighted average time to expiry	**9.9 years**	9.9 years
Employee exit rate	**3.9%**	3.9%
Suboptimal exercise factor	**1.4**	1.5
Lattice steps	**50**	50

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)	**2017**	2016
Stock options	**33**	17
Restricted share units	**51**	45
Deferred share units	**51**	32
Equity derivative effect, net of interest receipt	**(74)**	(33)
Total stock-based compensation expense	**61**	61

As at December 31, 2017, we had a total liability recognized at its fair value of$223 million (2016 - $189 million) related to stock-based compensation, including stock options, RSUs, and DSUs. The current portion of this is $157 million (2016 - $125 million) and is included in accounts payable and accrued liabilities. The long-term portion of this is $66 million (2016 - $64 million) and is included in other long-term liabilities (seenote 21).

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, 2017 was $69 million (2016 - $61 million).

We paid $107 million in 2017 (2016 - $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 $59.68 (2016 - $51.70).

STOCK OPTIONS

Options to purchase our Class 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 of seven 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 489,835 performance-based options to certain key executives in 2017 (2016 - 420,035). These options vest on a graded basis over four years provided that certain targeted stock prices are met on or after each anniversary date. As at December 31, 2017, we had 1,540,158 performance options (2016 - 2,268,102) outstanding.

Summary of stock options

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

	Year ended December 31, 2017		Year ended December 31, 2016	
(In number of units, except prices)	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding, beginning of year	**3,732,524**	**$43.70**	4,873,940	$41.47
Granted	**993,740**	**$59.71**	1,054,530	$49.95
Exercised	**(1,603,557)**	**$42.10**	(1,811,727)	$40.45
Forfeited	**(484,817)**	**$50.74**	(384,219)	$47.80
Outstanding, end of year	**2,637,890**	**$49.42**	3,732,524	$43.70
Exercisable, end of year	**924,562**	**$42.32**	1,770,784	$40.39

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, 2017.

	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
$34.32 - $34.99	71,615	0.16	$34.32	71,615	$34.32
$35.00 - $39.99	400,247	1.16	$37.96	400,247	$37.96
$40.00 - $44.99	582,173	3.96	$44.21	107,756	$43.97
$45.00 - $49.99	774,136	5.58	$49.17	344,944	$48.53
$50.00 - $59.99	319,884	7.93	$56.70	—	—
$60.00 - $62.82	489,835	9.44	$62.82	—	—
	2,637,890	5.40	$49.42	924,562	$42.32

Unrecognized stock-based compensation expense as at December 31, 2017 related to stock-option plans was $6 million (2016 - $3 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 issuing one 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 133,559 performance-based RSUs to certain key executives in 2017 (2016 - 98,889). The number of units that vest and will be paid 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 RSUs
Below is a summary of the RSUs outstanding, including performance RSUs.

	Years ended December 31	
(In number of units)	**2017**	2016
Outstanding, beginning of year	**2,237,085**	2,484,405
Granted and reinvested dividends	**826,081**	763,364
Exercised	**(984,342)**	(826,918)
Forfeited	**(266,979)**	(183,766)
Outstanding, end of year	**1,811,845**	2,237,085

Unrecognized stock-based compensation expense as at December 31, 2017 related to these RSUs was $41 million (2016 - $35 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 191,875 performance-based DSUs to certain key executives in 2017 (2016 - 328,206). 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)	**2017**	2016
Outstanding, beginning of year	**2,396,458**	1,770,871
Granted and reinvested dividends	**735,117**	972,894
Exercised	**(333,111)**	(132,620)
Forfeited	**(470,817)**	(214,687)
Outstanding, end of year	**2,327,647**	2,396,458

Unrecognized stock-based compensation expense as at December 31, 2017 related to these DSUs was $22 million (2016 - $30 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 $25,000). 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 $43 million in 2017 (2016 - $41 million).

EQUITY DERIVATIVES
We have entered into equity derivatives to hedge a portion of our stock-based compensation expense (see note 16) and recognized a $74 million recovery (2016 - $33 million recovery) in stock-based compensation expense for these derivatives.

NOTE 25: 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 2017 and 2016.

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
The compensation expense for key management for employee services was included in employee salaries and benefits as follows:

	Years ended December 31	
(In millions of dollars)	**2017**	2016
Salaries and other short-term employee benefits	**10**	12
Post-employment benefits	**3**	5
Stock-based compensation [1]	**19**	30
Total compensation	**32**	47

[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 non-executive chairman of a law firm that provides a portion of our legal services; and
- the chair of the board of 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)	**2017**	2016	**2017**	2016
Printing and legal services	**17**	27	**—**	3

In addition, during the year ended December 31, 2016, we announced a strategic change across our publishing business such that we will focus on digital content through the Internet and mobile applications. As a result, we sold select publishing titles to the aforementioned printing services company for $5 million.

SUBSIDIARIES, ASSOCIATES, AND JOINT ARRANGEMENTS
We have the following material operating subsidiaries as at December 31, 2017 and 2016:
- Rogers Communications Canada Inc.; and
- Rogers Media Inc.

We have 100% ownership interest in these subsidiaries. Our subsidiaries 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. 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)	**2017**	2016
Revenue	**74**	50
Purchases	**198**	189

Outstanding balances at year-end are unsecured, interest-free, and settled in cash.

	As at December 31	
(In millions of dollars)	**2017**	2016
Accounts receivable	**80**	70
Accounts payable and accrued liabilities	**26**	32

NOTE 26: GUARANTEES

We had the following guarantees as at December 31, 2017 and 2016 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, 2017 or 2016. Historically, we have not made any significant payments under these indemnifications or guarantees.

NOTE 27: 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, 2017:

(In millions of dollars)	Less than 1 Year	1-3 Years	4-5 Years	After 5 Years	Total
Operating leases	202	308	167	294	971
Player contracts [1]	111	88	10	7	216
Purchase obligations [2]	368	346	167	121	1,002
Program rights [3]	546	1,121	1,079	1,886	4,632
Total commitments	1,227	1,863	1,423	2,308	6,821

1 Player contracts are Toronto Blue Jays players' salary contracts into which we have entered and are contractually obligated to pay.
2 Purchase obligations are the contractual obligations under service, product, and wireless device contracts to which we have committed.
3 Program rights are the agreements into which we have entered to acquire broadcasting rights for sports broadcasting programs and films for periods in excess of one year at contract inception.

Operating leases are for network sites, office premises, and retail outlets across the country. The majority of the lease terms range from five to fifteen years. Rent expense for 2017 was $228 million (2016 - $223 million).

In addition, as at December 31, 2017, our contractual commitments were $298 million for the acquisition of property, plant and equipment and $141 million for the acquisition of intangible assets.

In addition, as at December 31, 2017, our contractual commitments related to all of our associates and joint ventures were $494 million, which are not included in the above table.

CONTINGENT LIABILITIES

We have the following contingent liabilities as at December 31, 2017:

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 in 2009 on the basis that it was an abuse of process.

At the time the Saskatchewan class action was commenced in 2004, corresponding claims were filed in multiple jurisdictions across Canada, although the plaintiffs took no active steps. The appeal courts in several provinces dismissed the corresponding claims as an abuse of process. 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 are 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. We have not recognized a liability for this contingency.

Income Taxes
We provide for income taxes based on all of the information that is currently available and believe that we have adequately provided these items. The calculation of applicable taxes in many cases, however, requires significant judgment (see note 12) 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 28: SUPPLEMENTAL CASH FLOW INFORMATION

CHANGE IN NON-CASH OPERATING WORKING CAPITAL ITEMS

	Years ended December 31	
(In millions of dollars)	**2017**	2016
Accounts receivable	**(161)**	(141)
Inventories	**2**	3
Other current assets	**17**	(12)
Accounts payable and accrued liabilities	**9**	182
Unearned revenue	**(21)**	(18)
Total change in non-cash operating working capital items	**(154)**	14

CAPITAL EXPENDITURES

	Years ended December 31	
(In millions of dollars)	**2017**	2016
Capital expenditures before proceeds on disposition	**2,510**	2,352
Proceeds on disposition	**(74)**	—
Capital expenditures	**2,436**	2,352