## Together, we'll make more possible.

Rogers Communications Inc. 2017 Corporate Social Responsibility Report



### Priyakshi Mahanta

In recognition of your strong leadership in the community, we are proud to award you the Ted Rogers Scholarship and welcome you to the recipient Class of 2017.

May 12, 2017

Marke Vity Marka Rogers Char, Ted Rogers Scholarship Fund

CURT

At Rogers, being a good corporate citizen is at the very heart of our business. It was a value adopted by our founder, Ted Rogers, and continues to be lived by the Company today.

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### About this Report

Rogers is a leading diversified Canadian communications and media company. We are Canada's largest provider of wireless communications services and one of Canada's leading providers of cable television, high-speed Internet, information technology, and telephony services to consumers and businesses. Through Rogers Media, we are engaged in radio and television broadcasting, sports, televised and online shopping, magazines, and digital media. 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.

The Rogers Corporate Social Responsibility (CSR) Report (the "Report") communicates our social, environmental, and economic performance in Canada for the 2017 calendar year, focusing on what matters most to our stakeholders.

#### Help us improve

We encourage your ideas and comments to help us improve our reporting.

E-mail us at <u>csr@rci.rogers.com</u>



Symbol key Assurance Data assured by KPMG in 2017

#### Rogers CSR reporting approach

We aim to provide a report that is clearly written and organized to meet the needs of our diverse stakeholders. We do this by reporting on our CSR activities in the following ways:

**CSR Report:** This year-in-review highlights our CSR work for 2017 and the progress we've made in addressing our material topics identified through our stakeholder engagement exercise. The CSR Report is available online as a downloadable PDF.

**GRI Index**: Our <u>GRI Index</u> allows stakeholders to easily locate information about how we are addressing topics and requirements contained in the Global Reporting Initiative's (GRI) G4 Sustainability Reporting Guidelines. Our <u>2017 GRI Index</u> is availiable online as a downloadable PDF.

About Rogers website: The About Rogers section on the Rogers website <u>about.rogers.com</u> provides high-level information and data on our programs and performance, as well as links to policies related to our material topics. Here, stakeholders can also access a <u>Glossary of Terms</u> used throughout our CSR Report, read featured stories, download past CSR Reports, and more.

#### **GRI** compliance

To guide our CSR reporting, we have used the GRI's G4 Sustainability Reporting Guidelines. We self-declare that our 2017 CSR Report has been prepared in accordance with the G4 core reporting requirements. Our <u>2017 GRI</u> Index is available online as a downloadable PDF.

#### Data measurement

Our CSR team is responsible for the collection and presentation of information provided in this CSR Report. Every effort has been made to ensure that all content is accurate, has been authenticated by internal subject experts, and has been reviewed by management. All currency is in Canadian dollars unless otherwise stated. All information is as of or for the year ended December 31, 2017 unless otherwise indicated.

#### **External** assurance

For the sixth consecutive year, Rogers engaged KPMG LLP (KPMG) to provide limited assurance over selected information contained in the CSR Report, in addition to the audit of Rogers consolidated financial statements. KPMG's 2017 assurance report on selected performance indicators is on page 6 of this Report and KPMG's audit report on our 2017 consolidated financial statements is on page 98 of Rogers <u>2017 Annual Report</u>.



### A message from our President & CEO

Each and every day, I am inspired by the incredible energy of the Rogers team and their commitment to doing what is right for our customers and our world. Together, in 2017, we continued to make a meaningful impact on our economy, our communities, and the environment.

Giving back to the communities where we work, live, and raise our families is an important part of who we are. In 2017, we contributed \$13.7 billion to the economy and invested \$64 million in cash and in-kind community investments. With a focus on developing the next generation of leaders, we launched a new community investment program, the Ted Rogers Scholarship Fund, awarding 307 scholarships to youth entering their first year of post-secondary education. We also delivered 65 grants to community organizations that provide innovative educational programs for youth. Through our Give Together Month campaign, Rogers matched employee donations to the charity of their choice, raising over \$2.2 million for our communities. I am especially proud that we increased the number of volunteers participating in our Employee Volunteer Program by 59% over the previous year.

Making things simple, clear, and fair for our customers is a key part of being a good corporate citizen. In 2017, we made significant investments in our customer experience programs to put our customers first in all that we do, which resulted in improved postpaid churn rates. We believe that providing access to the best networks for our customers is essential. In 2017. we increased our capital expenditures to allow us to expand our LTE coverage and invest in the next generation of networks to enhance wireless service. Our investment in networks allowed us to develop innovative solutions, such as Ignite TV, which will fundamentally reinvent the home entertainment experience for our customers. We also continued to bridge the digital divide by expanding our Connected for Success program, which offers low-cost broadband Internet to eligible households in non-profit housing, increasing the number of households in the program by 3,758 over the previous year.

I truly believe our people are the heart of our success. In 2017, we invested \$50.5 million in employee training and development to equip our teams to succeed and to help employees reach the next level in their careers. As a result of our investments, our employee engagement score increased to 79%. We continue to focus on maintaining the ethical standards and good business practices we expect of our staff to achieve our goal of retaining and attracting top talent and being the best place to work in Canada. Our investment in energy reduction initiatives across our operations continued to yield positive results. In 2017, we reduced our energy use by 3% and greenhouse gas (GHG) emissions by 5% over 2016. This brings us closer to meeting our targets of 25% reduction in GHG emissions and a 10% reduction in energy use by 2025, based on 2011 levels. We also increased our waste diversion rate from 58% to 62% and reduced our overall paper usage by 48%.

Across our supply chain, we continue to strengthen our supplier governance and work to ensure that our suppliers are upholding sustainability standards. As a member of the Joint Audit Cooperation, a group of global telecom companies who share common suppliers, we audited five suppliers and gained access to audit reports of an additional 84 suppliers. We also put in place a new Supplier Council to oversee supplier management and performance.

In 2018, we will continue to build on these efforts as we work to embed sustainability across our operations and be a good corporate citizen.

We hope that you enjoy this CSR Report and we welcome your feedback.

Joe Natale President and Chief Executive Officer

## Independent limited assurance report to Rogers Communications Inc.

We have been engaged by management of Rogers Communications Inc. (Rogers) to undertake a limited assurance engagement, in respect of the year ended December 31, 2017, on certain quantitative performance information disclosed in the 2017 Corporate Social Responsibility Report (the Report) as described below.

#### Selected indicators and applicable criteria

The scope of our limited assurance engagement, as agreed with management, comprises the following Selected Corporate Social Responsibility (CSR) Indicators and Selected Greenhouse Gas (GHG) Indicators (collectively, the "Selected Indicators").

#### Selected CSR indicators

#### Governance

• Percentage of employees trained in Business Conduct Policy (%)

#### Customers

- Customer retention prepaid and postpaid wireless monthly churn rate (%)
- Complaints reported to Rogers Office of the Ombudsman (number)
- Complaints resolved by Rogers Office of the Ombudsman within 60 days (%)
- Complaints accepted by the Commissioner for Complaints for Telecommunications Services (number)
- Devices collected and processed for reuse and recycling (number)
- Capital expenditures (\$)

#### Employees

- Employee engagement score (%)
- Participation rate in the employee engagement survey (%)
- Visible minority employees overall and in senior manager roles (%)
- Persons with disabilities overall and in manager roles (%)
- Voluntary turnover rate (%)
- Women employees overall and in senior manager roles (%)
- Indigenous employees overall and in senior manager roles (%)
- Lost-time incident rate (incident per 200,000 hours worked)

#### Environment

- Direct and indirect energy use (GJ)
- Total paper use (tonnes)
- Customers who receive electronic bills (%)

#### Community

- Community investment cash (\$)
- Community investment in-kind (\$)
- Pre-tax profits donated to charities and non-profit organizations (%)
- Volunteer hours (number)
- Employee who volunteered through Rogers Employee Volunteer Program (number)

#### Economy & Society

- Economic value distributed (\$)
- Political donations (\$)
- Income taxes paid (\$)

#### Selected GHG indicators

#### Environment

• Scope 1 and 2 GHG emissions (tonnes CO<sub>2</sub>e)

The Selected Indicators, contained within the Report and denoted by the symbol **Q**, have been determined by management on the basis of Rogers' assessment of the material issues contributing to Rogers' CSR and GHG performance and the material issues most relevant to their stakeholders.

The Selected GHG Indicators contained within the Report have been prepared by management in accordance with the accounting requirements of the World Resources Institute/World Business Council for Sustainable Development Greenhouse Gas Protocol (the GHG Protocol).

There are no mandatory requirements for the preparation, publication or review of CSR performance metrics. As such, Rogers applies its own internal reporting guidelines and definitions for CSR reporting in preparing the Selected CSR Indicators which are in the Glossary of Terms <u>online</u>.

#### Management's responsibilities

Management is responsible for the preparation and presentation of the Selected CSR Indicators in accordance with Rogers' internal reporting guidelines and definitions for CSR reporting, and of the Selected GHG Indicators in accordance with the accounting requirements of the GHG Protocol, both current as at the date of our report. Management is also responsible for determining Rogers' objectives in respect of sustainable development performance and reporting, including the identification of stakeholders and material issues, and for establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived. Management has chosen to prepare the Report in accordance with the Global Reporting Initiative's G4 Sustainability Reporting Guidelines. Information on management's approach to CSR reporting can be found in the section "About this Report" on page 3 of the Report.

## Our responsibility and professional requirements

Our responsibility in relation to the Selected Indicators is to perform a limited assurance engagement and to express a conclusion based on the work performed. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board, and ISO 14064-Part 3 Specification with Guidance for the Validation and Verification of Greenhouse Gas Assertions. Both ISAE 3000 and ISO 14064-3 require that we plan and perform our procedures to obtain limited assurance about whether the Selected Indicators are presented fairly, in accordance with the applicable criteria, in all material respects. The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

#### Assurance approach

We planned and performed our work to obtain all the evidence, information, and explanations we considered necessary in order to form our conclusions as set out below. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Selected Indicators, and applying analytical and other evidence gathering procedures, as appropriate. Our procedures included:

- inquiries of management to gain an understanding of Rogers' processes for determining the material issues for Rogers' key stakeholder groups;
- inquiries with relevant staff at the corporate and business unit level to understand the data collection and reporting processes for the Selected Indicators;
- where relevant, performing walkthroughs of data collection and reporting processes for the Selected Indicators;
- comparing the reported data for the Selected Indicators to underlying data sources;

- inquiries of management regarding key assumptions and, where relevant, the re-performance of calculations; and
- reviewing the Selected Indicators presented in the Report to determine whether they are consistent with our overall knowledge of, and experience with, the CSR and GHG performance of Rogers.

The extent of evidence gathering procedures performed in a limited assurance engagement is less than that for a reasonable assurance engagement, and therefore a lower level of assurance is obtained.

Our assurance report is provided solely to Rogers in accordance with the terms of our engagement. Our work has been undertaken so that we might report to Rogers on those matters we have been engaged to report upon in this assurance report, and for no other purpose. We do not accept or assume responsibility to anyone other than Rogers for our work, for this assurance report, or for the conclusions we have reached.

The engagement was conducted by a multidisciplinary team which included professionals with suitable experience in both assurance and in the applicable subject matter including environmental, GHG, social, governance and financial aspects.

#### Inherent limitations

Non-financial information, such as that included in the Report, is subject to more inherent limitations than financial information, given the characteristics of significant elements of the underlying subject matter and the availability and relative precision of methods used for determining both qualitative and quantitative information. The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques, which can result in materially different measurements and can impact comparability. The nature and methods used to determine such information, as described in management's internally developed criteria, may change over time, and it is important to read Rogers' reporting methodology available in the Glossary of Terms <u>online</u>.

#### Our conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that for the year ended December 31, 2017, the Selected CSR Indicators, as described above and disclosed in the 2017 Corporate Social Responsibility Report, have not been prepared and presented, in all material respects, in accordance with Rogers' internal reporting guidelines and definitions for CSR reporting, or that the Selected GHG Indicators for the year ended December 31, 2017, as identified above and disclosed in the 2017 Corporate Social Responsibility Report, have not been prepared and presented, in all material respects, in accordance with the accounting requirements of the World Resources Institute/ World Business Council for Sustainable Development Greenhouse Gas Protocol, as at the date of our report.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

June 20, 2018 Toronto, Canada

# Build for tomorrow

CSR at Rogers

## **Corporate Social Responsibility at Rogers**

#### **Our Strategic Priorities**

In 2017, we refocused our Company plan under the leadership of our President & CEO, Joe Natale. The plan consists of six Strategic Priorities, which will shape and guide our work over the next three years.

#### **Our Strategic Priorities are:**

Rogers Strategic Priorities focus on accelerating growth and builds upon our many strengths, such as our unique mix of network and media assets. The Strategic Priorities are about increasing our focus to deliver a best-in-class customer experience, growing the core business, and delivering industry-leading shareholder value.



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



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



Deliver innovative solutions and compelling content that our customers will love



Drive profitable growth in all the markets we serve



Develop our people and a high performing culture



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

#### > CSR at Rogers

Good governance Customer experience Employee experience Environmental responsil Community investment Economy and society



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

Everything starts and ends with our customer, so improving their experience is core to our strategic plan. We obsess over our customers' end-to-end service experiences by listening carefully to the voice of our customers and the voice of our frontline. We will focus on making things clear, simple, and fair for our customers while we continue to build our digital capabilities so our customers have reliable and consistent experiences across our channels.

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

We believe that networks are the lifeblood of our business and world-class performance is critical to our future. Our plan is to deliver high-performing, worry-free network services with a focus on core performance and reliability. Accelerated investments in our wireless network will ensure we keep up with our customers' growing data demands while accelerating our move to 4.5G and setting the stage for a smooth evolution to 5G. Our investments in our cable network will allow us to further improve our Cable Internet performance and reliability.

## Deliver innovative solutions and compelling content that our customers will love

Innovation has always been a part of our DNA. We strive to deliver compelling products and innovative solutions to our customers that makes their lives easier. We will do this by leveraging proven technologies and remarkable innovations, making them more cost-effective for us. One example is Ignite TV, where we have licensed the capability from Comcast for the X1 IPTV platform. With Ignite TV, we are reinventing the home entertainment experience for our customers. It is a new platform for the digital home, for video entertainment, and for the connected home of the future.

Rogers has some of the most sought-after media assets in Canada, with a deep roster of leading sports assets, top radio stations, iconic magazines, and award-winning television programming. Canadians expect to be able to consume the content they want, when and where they want. We will continue to invest in delivering the content our audiences value and want most, delivered on their screens of choice.

#### > CSR at Rogers

Good governance Customer experience Employee experience Environmental responsib Community investment Economy and society



#### Drive profitable growth in all the markets we serve

The overarching goal of our strategy is to accelerate revenue growth in a sustainable way and translate this into strong margins, profit, free cash flow, an increasing return on assets, and returns to shareholders. Therefore we will focus on our core growth drivers while developing a strong capability in cost management to support investments that will fuel our future.

#### Develop our people and a high performing culture

Our people and our culture are the heart and soul of our success. Our strategy is to invest more in our people through training and development programs and to establish clear accountabilities for all employees. We are working to strengthen our employment brand and to make Rogers a top employer known for attracting and retaining the best talent. This means fostering an open, trusting, and diverse workplace grounded in accountability and performance.

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

Giving back where we live and work is an important part of who we are. Our goal is to be a relevant and respected community leader in each region of our country. This means leveraging our strong local teams to become active and engaged volunteers in our communities and to deliver a strong, regionally empowered program.

#### CSR at Rogers

Good governance Customer experience Employee experience Environmental responsibil Community investment Economy and society

#### Strategic Priorities and CSR

Through our Strategic Priorities, we are making a commitment to being a socially responsible leader in our communities. This commitment includes how we invest in our communities through charitable partnerships and how we manage sustainability. We have been increasing transparency across our operations, within our reporting, and in how our customers manage their accounts. Throughout this Report, you will read about how our strategy affects our CSR programs and progress.

The table below shows how our Strategic Priorities map to our CSR material topics:

Strategic Priorities	Related material topic
Create best-in-class customer experiences by putting our customers first in everything we do	<ul> <li>Customer service and transparency</li> <li>Product responsibility</li> <li>Privacy and information security</li> </ul>
Invest in our networks and technology to deliver leading performance and reliability	<ul> <li>Network leadership and innovation</li> </ul>
Deliver innovative solutions and compelling content that our customers will love	<ul><li>Network leadership and innovation</li><li>Digital inclusion</li></ul>
Drive profitable growth in all the markets we serve	Economic performance
Develop our people and a high performing culture	<ul> <li>Talent management</li> <li>Inclusion and diversity</li> <li>Safety and well-being</li> </ul>
Be a strong, socially responsible leader in our communities across Canada	<ul> <li>Community giving</li> <li>Procurement and supplier management</li> <li>Digital inclusion</li> <li>Energy use and climate change</li> <li>Waste reduction</li> </ul>

#### CSR at Rogers

Good governance

Employee experience

Environmental responsibility

Community investment

Economy and society

### **Purpose and Values**

#### **Purpose**

We connect Canadians to a world of possibilities and the memorable moments that matter most in their lives.

#### Values

**People:** Our people are at the heart of our success.

**Customer:** Our customers come first. They inspire everything we do.

**Integrity:** We do what's right, each and every day.

**Innovation:** We believe in the power of new ideas.

Community: We give back to our communities and protect our environment.

Teamwork: We work as one team, with one vision.

#### > CSR at Rogers

Good governance Customer experience Employee experience Environmental responsibil Community investment Economy and society

#### Stakeholder engagement

Events

Our stakeholders are directly or indirectly affected by our business and our actions, such as our customer service, our tower locations, our employee programs, or our stand on policy matters. We have many channels for listening and communicating with our stakeholders. The topics we discuss depend on the interests of the stakeholder and the information we look to gather about ourselves. We use this feedback to improve our business and sustainability performance. Throughout this Report, you will learn about how we address these concerns. The following chart shows the ways we engaged with our stakeholders in 2017, as well as the topics that impact, or are of interest to them.

Stakeholder group	Ways we engaged in 2017	Key issues raised in 2017	Associated material topic
Customers	Net Promoter Score program	Customer service	Customer service and transparency
	<ul> <li>Daily interactions via stores, call centres,</li> </ul>	Clarity	Customer service and transparency
	live chat, social media, and community forums	Network reliability and investment	Network leadership and innovation
	<ul> <li>Rogers Office of the Ombudsman</li> </ul>	Product innovation	Network leadership and innovation
	<ul> <li>Problem resolution process</li> </ul>	Product take-back	Product responsibility
	Consumer outreach	Accessibility, diversity	Product responsibility
	<ul> <li>Meetings with consumer advocacy groups</li> </ul>	Privacy and data security	Privacy and information security
Employees	Employee engagement survey	Training and development, internal mobility, career progression	Talent management
	<ul> <li>Team and one-on-one meetings</li> </ul>	Inclusion	Inclusion and diversity
	<ul> <li>Development planning and performance reviews</li> </ul>	Internal collaboration	Talent management
	• Town halls	Tools and training to help serve customers	Customer service and transparence
	<ul> <li>Intranet and executive blogs</li> </ul>		Talent management
	• Yammer	Compensation and benefits	Talent management
Rogers STAR H	Rogers STAR Hotline	Workspace	Talent management
		Health and safety	Safety and well-being
		Volunteerism	Community giving
		Opportunities to be socially and environmentally responsible	Community giving, Energy use and climate change, Waste reduction
Environmental groups	<ul> <li>Meetings with environmental consultants and groups</li> </ul>	Climate change mitigation strategies and results	Energy use and climate change
	<ul> <li>Employee participation and awareness</li> </ul>	Electronic and office waste management	Waste reduction
	Memberships	Paper reduction	Waste reduction

Water use

Waste reduction

#### > Continued from previou page

Stakeholder group	Ways we engaged in 2017	Key issues raised in 2017	Associated material topic
Local communities	Partnerships and outreach	Community investment	Community giving
and non-profits	• Sponsorships	Employee giving and volunteerism	Community giving
	Employee volunteerism	Media partnerships and support	Community giving
	• Memberships	Disaster relief	Community giving
Community consultations	Access to broadband	Digital inclusion	
Suppliers	Request for Proposal and Request for Information processes	Supplier selection	Procurement and supplier management
	<ul> <li>Interactions with Rogers procurement team</li> </ul>	Ethical sourcing	Procurement and supplier management
	<ul> <li>Site visits to supplier factories and offices</li> </ul>		
	<ul> <li>Supplier survey</li> </ul>		
	• Audits		
Government, NGOs,	Dialogue with government officials and regulators	Consumer issues	Customer service and transparency
associations and	<ul> <li>Participation in Canadian Radio-television and</li> </ul>	Governance, business ethics, regulatory compliance	Governance and ethics
media	Telecommunications Commission hearings	Economic impacts and contributions	Economic performance
	and public consultations	Social and health impacts of our products	Product responsibility
	<ul> <li>Dialogue with Non-Government Organizations</li> </ul>	Accessibility	Product responsibility
	<ul> <li>Industry association memberships</li> </ul>	Access to broadband	Digital inclusion
	<ul> <li>Conferences and forums</li> </ul>		
	Media relations		
Shareholders &	Investor calls and events	Return on investment	Economic performance
investors	<ul> <li>Meetings/feedback sessions with investor groups</li> </ul>	Long-term, sustainable growth	Economic performance
	<ul> <li>Surveys, consultations</li> </ul>	Sound corporate governance	Governance and ethics
		CSR management and reporting	Governance and ethics

#### Our material topics

In 2017, we updated our materiality assessment in line with GRI's guidelines, which allowed us to identify, prioritize, and validate our material topics. The process included an internal review of existing material topics, conducting meetings with informed stakeholders in the CSR community, reviewing research by ratings agencies and investor groups, reviewing media clippings, and other related research.

Below is our materiality process:

#### Identification

We compiled a list of relevant CSR material topics. To compile this list, we:

- collected feedback and ideas on existing and emerging topics from employees and internal data owners;
- reviewed external stakeholder feedback, as well as assessments and rankings from ratings agencies;
- considered what is integral to a communications and media company operating in Canada, including risks, and the competitive and regulatory environment;
- reviewed topics outlined in the GRI's framework; and
- conducted meetings with informed stakeholders to solicit their feedback on our material topics.

#### Prioritization

- Data owners and our CSR Governance Committee ranked each potential topicas low, medium or high impact, allowing us to prioritize the topics.
   We concluded on 14 material topics.
- Engagement with informed stakeholders in 2017 confirmed that our material topics were relevant for us and our stakeholders.

#### Validation

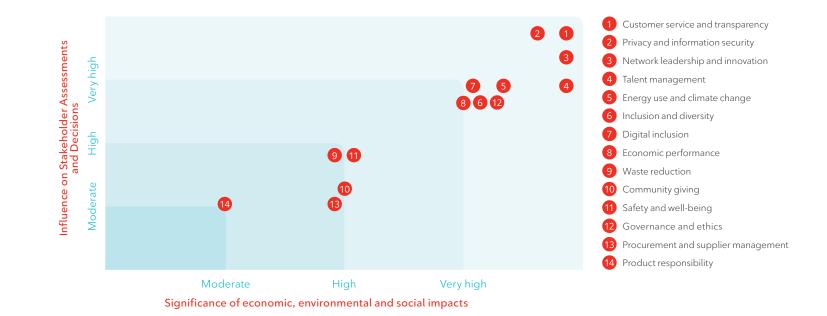
- The CSR Governance Committee approved the final list of material topics, which provides the framework for this Report.
- This Report is also approved by all data owners at the executive level, and by the company's Disclosure Committee.
- Boundaries are reviewed to ensure we understand the impacts in our value chain.

#### Review

• We will continue to review our material topics on a yearly basis based on internal and external stakeholder feedback.

#### > CSR at Rogers

Good governance Customer experience Employee experience Environmental responsibi Community investment Economy and society



#### Operating environment and boundary

The information and key performance indicators provided in this Report are related to Rogers Communications Inc. and its subsidiaries. Rogers operates in Canada as a national wireless service provider, with cable, Internet, and home phone service in areas of Ontario, New Brunswick, and on the island of Newfoundland. The company's multimedia offerings include 55 radio stations, 30 local TV stations, 24 conventional and specialty television stations, nine magazines, podcasts, digital and e-commerce websites, and sporting events. We also own the Toronto Blue Jays Baseball Club. Over 99% of our employees are located within Canada.

#### We operate in a regulated environment. Our business, except for the non-broadcasting operations of Media, is regulated by two groups: Innovation, Science and Economic Development Canada (ISED Canada) on behalf of the Minister of Innovation, Science and Economic Development; and the Canadian Radio-Television and Communications Commission (CRTC), under the *Telecommunications Act* (Canada) and the *Broadcasting Act (Canada)*.

Given this operating environment, some sustainability impacts related to our business are within our control, while some extend beyond our control (for example, Scope 3 GHG emissions). For those within our control, we measure them and provide at least one key performance indicator for each material topic.

#### > CSR at Rogers

Good governance Customer experience Employee experience Environmental responsibil Community investment Economy and society



Below is a summary identifying where we believe our organization has impacts, either within Rogers or externally.

#### Good governance

• Governance and ethics - Rogers, Suppliers

#### **Customer experience**

- Customer service and transparency Rogers, Customers
- Network leadership and innovation Rogers, Suppliers, Customers
- Product responsibility Rogers, Suppliers, Customers
- Privacy and information security Rogers, Customers

#### Employee experience

- Talent management Rogers
- Inclusion and diversity Rogers
- Safety and well-being Rogers, Suppliers

#### Environmental responsibility

- Energy use and climate change Rogers, Suppliers, Customers
- Waste reduction Rogers, Suppliers, Customers

#### **Community investment**

- Community giving Rogers, Community
- Digital inclusion Rogers, Suppliers, Customers

#### Economy and society

- Economic performance Rogers, Suppliers, Government
- Procurement and supplier management Rogers, Suppliers

#### > CSR at Rogers

- Good governance
- customer experience
- Employee experience
- Environmental responsibility
- Community investment
- Economy and society

#### Our progress and targets

In this year's Report, we are providing our objectives and progress towards them, to provide a quick snapshot for our stakeholders. Below is our progress compared to our targets. Discussions on our results occur throughout this Report.

#### Symbol key

- Goals and targets
- ✓✓ Exceeded
- ✓ Achieved
- 🗙 Missed
- Independently assured in 2017.

Key performance indicator	2017 objective	2017 results	Achievement	2018 objective
Good governance				
Percentage of employees trained in Rogers Business Conduct Policy	95%	98% 🕸	~~	95%
Customer experience				
Percentage of complaints resolved by Rogers Office of Ombudsman within 60 days	100%	99% 오	×	100%
Complaints accepted by the Commissioner for Complaints for Telecommunications Services (CCTS)	Fewer than last year (2016 - 1,406)	1,641 오	×	Reduce our complaints from 201
Well-founded privacy complaints with the federal Office of the Privacy Commissioner	None	None	<ul> <li>✓</li> </ul>	None
Employee experience				
Employee engagement score	Improve over previous year (2016 - 78%)	79% 오	~	Improve over 2017
Participation rate in the employee engagement survey	75%	85% 오	~~	75%
Voluntary turnover rate	1.4-point improvement from 2016 (2016 - 14.1%)	15.6% 오	×	1.6-point improvement from 2016
Percentage of employees who are Women	Close gap to Labour Market Availability (LMA) by 1.0 points (2016 - 38.4%, LMA - 47	38.4% <b>°</b> 7%)	×	Close gap to LMA by 1.0 points
Percentage of employees who are Women (Senior managers)	Meet or exceed LMA (2016 - 30.1%, LMA - 27.4%)	26.5% 오	×	Meet or exceed LMA
Percentage of employees who are Visible Minorities	Meet or exceed LMA (2016 - 32.6%, LMA - 25.2%)	34.6% 오	~~	Meet or exceed LMA
Percentage of employees who are Visible Minorities (Senior managers)	Meet or exceed LMA (2016 - 13.4%, LMA - 10.1%)	13.5% 오	~~	Meet or exceed LMA
Percentage of employees who are Indigenous Peoples	Close gap to LMA by 0.1 points (2016 - 0.8%, LMA - 1.7%)	0.9% 오	~	Close gap to LMA by 0.1 points
Percentage of employees who are Persons with Disabilities	Close gap to LMA by 0.1 points (2016 - 1.3%, LMA - 4.9%)	2.2% 오	~~	Close gap to LMA by 0.1 points

#### Continued from previou page

Key performance indicator	2017 objective	2017 results	Achievement	2018 objective
Environmental responsibility				
Total energy use	Make improvements towards our 2025 targets	4,083,288 GJ <sup>⊙</sup> (down 3% from 2016)	<ul> <li></li> </ul>	Make improvements towards our 2025 targets
Scope 1 and 2 GHG emissions	Make improvements towards our 2025 targets	155,576 tonnes ⁰ of CO₂e (down 5% from 2016)	<ul> <li>✓</li> </ul>	Make improvements towards our 2025 targets
Customers who receive electronic bills	75% (2016 - 68%)	67%	×	75%
Community investment				
Percentage of pre-tax profits donated to charities and non-profit organizations	1%	3%	~~	1%
Employees who volunteered through Rogers Employee Volunteer Program	1,200	1,800	~~	3,750
New subscribers for Connected for Success	4,000 additional subscribers	3,754	×	4,000 additional subscribers
Economy and society				
Percentage of competitive bid processes where the supplier agreed to our <u>Supplier Code of Conduct</u>	100%	100%	4	100%

#### In addition to these targets, we have two long-term environmental targets:

Key performance indicator	Target	Where we are	Year to meet target
Total energy use	Reduce energy use by 10% by 2025, based on 2011 levels	9% increase from 2011 <sup>1</sup>	2025
Scope 1 and 2 GHG emissions	Reduce Scope 1 and 2 emissions by 25% by 2025, based on 2011 levels	21% reduction from 2011	2025

<sup>1</sup> Energy use has increased since 2011 due to data centre acquisitions and business growth. To normalise this, we also report on energy us per million dollars of revenue, which can be found on page 60 of the Report.

## Good governance

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### Good governance

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



#### Highlights this year

It is fundamental to have the trust of all stakeholders.

98%

of our employees have been trained on <u>Rogers Business Conduct Policy</u>, exceeding our target of 95% 31% female representation on our Board of Directors

27 assured Key Performance Indicators for this Report

CSR at Rogers

#### Good governance

Customer experience

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### Governance and ethics

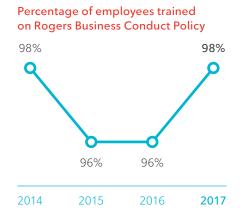
#### Why it's material

As a major, publicly listed company operating in Canada, we have a duty to have strong governance and ethical procedures and policies across all areas of our business. It's fundamental to having the trust of all stakeholders.

#### Management approach

We are committed to sound corporate governance, and we regularly benchmark ourselves against other industry leaders.

We are a family-founded and controlled company, and we undertake several best practices to ensure sound governance. The <u>Rogers Business Conduct Policy</u> outlines how we act as a company and the Rogers STAR Hotline helps to alert management of any potential unethical and/or corrupt behaviour.



Our performance trends	2017	2016	2015	2014
Female representation on the Board of Directors	31%	33%	27%	24%
Percentage of employees trained on <u>Rogers Business Conduct Policy</u>	98% 오	96%	96%	98%
Contributions to political parties	\$91,150 <b>©</b>	\$91,239	\$129,580	\$142,350
Number of material KPIs independently assured for this Report	27	27	27	25

• Independently assured in 2017.

#### Corporate governance and conduct

In 2017, 98%<sup>•</sup> of our employees completed the <u>Rogers</u> <u>Business Conduct Policy</u> training, including 100% of our executives, our Board of Directors ("Board"), and employees in our Finance division. We conduct this training every year to ensure our employees understand the high standards to which we expect them to adhere.

In 2017, we enhanced our Business Conduct Policy training module to use clearer language and delivered it in a more user-friendly format for employees. We also updated the content to cover emerging issues and to better educate employees on their commitments as an employee.

In addition to adhering to our Business Conduct Policy, our Board is also bound by our <u>Directors' Code of</u> <u>Conduct and Ethics</u>. The majority of our directors are independent. The Board is committed to sound corporate governance and continually reviews its governance practices and benchmarks them against acknowledged leaders and best practices. The Board believes that the Rogers governance practices are effective and that there are appropriate structures and procedures in place.

Rogers is committed to diversity and inclusion at all levels of the company, including at the Board level. In 2017, our Board adopted a formal gender diversity policy to re-affirm its commitment to diversity and to ensure that it is meeting one of its objectives for strong female representation on the Board. As of December 31, 2017, we had 31% female representation on the Board. This is above the 25% representation called for by Catalyst Canada, a non-profit research and advocacy organization dedicated to accelerating progress for women through workplace inclusion in Canada.

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#### Governance best practices

The majority of our directors are independent and we have adopted many best practices for effective governance, including:

- an independent lead director;
- formal corporate governance policy and charters;
- a Business Conduct Policy and whistleblower hotline (Rogers STAR Hotline);
- director share ownership guidelines;

- Board and committee in camera discussions;
- annual reviews of Board and director performance;
- Audit and Risk Committee meetings with internal and external auditors;
- an orientation program for new directors;
- regular Board education sessions;
- committee authority to retain independent advisors; and
- director material relationship standards.

#### Political donations and lobbying

In 2017, Rogers contributed \$91,150<sup>o</sup> to political parties, campaigns, and candidates in Canada where permitted. We do not make political contributions outside of Canada. Further details on our contributions are available on each province and municipality's elections agency website. Our Corporate Affairs team and our Chief Legal and Corporate Affairs Officer manage our municipal, provincial, and federal lobbying activities and interactions with policy makers, governments, and regulators. Our municipal and provincial lobbying activities are reported as per the jurisdictional guidelines. The majority of our interactions take place with two groups that regulate our activities: i) the CRTC under the Broadcasting Act (Canada) and the Telecommunications Act (Canada); and ii) ISED Canada. All of our federal lobbying activities are reported monthly with the Office of the Commissioner of Lobbying of

Canada. The "Regulation In Our Industry" section of our <u>2017 Annual Report</u> provides a detailed discussion of government regulation and regulatory developments that affected Rogers last year.

#### Anti-corruption and whistleblowing

Our Business Conduct Policy and related annual training educates employees on what is considered unethical or corrupt behaviour, including fraud, theft, privacy breaches, unethical practices, and other inappropriate behaviours. Employees are encouraged to bring forward unethical and/or corrupt activities through the Rogers STAR Hotline. This is an anonymous tip line, with an independent third party confidentially handling every call. When a tip is received, it is investigated and assessed, and action is taken as needed.

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#### **Risk governance and management**

The Board has overall responsibility for risk governance and oversees management in identifying the key risks we face in our business and implementing appropriate risk assessment processes to manage these risks. The Audit and Risk Committee of the Board discusses key risk policies with management and the Board and assists the Board in overseeing our compliance with legal and regulatory requirements.

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

Our ERM team is the second line of defence. They help management identify the top risks to meeting our business objectives, evaluate our risk appetite, and identify emerging risks, as well as provide advice in managing risk. Our ERM team also carries out annual risk assessments to identify the principal risks to meeting our business objectives. The approach includes reviewing risk reports, audit reports, industry benchmarks, and interviewing senior management. The findings are reported to the Executive Leadership Team, Audit and Risk Committee, and the Board. Our Internal Audit department is the third line of defence. Internal Audit evaluates the design and operational effectiveness of the governance program, internal controls, and risk management. Risks, controls, and mitigation plans identified through this process are incorporated into the annual Internal Audit plan. Annually, Internal Audit also facilitates and monitors management's completion of the financial statement fraud risk assessment to identify areas of potential fraud or misstatement in our financial statements and disclosures to ensure these controls are designed and operating effectively.

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#### **Risks affecting our business**

There are external and regulatory risks that affect our business. For further information on these risks, please see our <u>2017 Annual Report</u>. Our risks that are of an economic, environmental, and regulatory nature include:

- Economic conditions, including consumer confidence and spending, recessions, a decline in economic activity, and uncertainty, can erode consumer and business confidence and reduce discretionary spending. Any of these factors can negatively affect us through reduced advertising, lower demand for our products and services, decreased revenue and profitability, and higher churn and bad debt expense. A significant portion of our broadcasting, publishing, and digital revenue comes from advertising sales, which is affected by the strength of the economy. Poor economic conditions can also have an impact on our employee pension plans.
- Technology risks, such as information security risk due to Rogers and our suppliers' use of systems and network infrastructures that can be subject to cyberattacks.
   A network failure could also result in lack of service for our customers, which could negatively impact our revenues.
- Regulatory risks, such as changes in government regulation, tower siting policies, and the ability to acquire spectrum to operate our network and service our customers.
- From an environmental standpoint, additional taxation on fuel and energy could have a financial impact on our business. Extreme weather conditions could also affect our network and towers.

#### Management oversight of CSR

Our CSR Governance Committee oversees CSR activities, sets and approves sustainability targets, and approves this Report. The Committee met twice in 2017 and the CSR team continued to liaise with the committee members throughout the year on an individual basis. The CSR Governance Committee approved the 27 assured KPIs and worked with senior leaders and our Disclosure Committee on the approval of this Report. The assured KPIs are what we believe are the most meaningful KPIs for monitoring our progress. We will continue to re-evaluate the use of these indicators annually.

Day-to-day management of corporate social responsibility rests with our CSR team, which reports to our Chief Legal and Corporate Affairs Officer. The team works with senior leaders from relevant business units and our CSR Governance Committee.

If you would like to reach out to our CSR team, they can be reached at <u>csr@rci.rogers.com</u>

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Customer experience

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Everything starts and ends with our customers, so improving their experience is core to our strategic plan.

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## **Customer experience**

We are here to connect our customers with the people and moments that matter most to them. To do this, we need to equip our teams to provide the best service possible.



#### Highlights this year

\$2,436M

in capital expenditures

## 96%

of the Canadian population was covered by Rogers overall Long-Term Evolution (LTE) network as of December 31, 2017 26% more wireless devices collected for reuse and recycling compared to 2016

## Customer service and transparency

#### Why it's material

Everything starts and ends with our customers, so improving their experience is core to our strategic plan. This means putting our customers first in everything we do and obsessing over their end-to-end experience. Improving the customer experience also has many additional benefits, including the potential of costs to the Company.

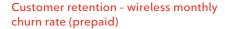
#### Management approach

We believe in putting customers first in everything we do. In fact, it is number one in our list of Strategic Priorities. Our President & CEO and leadership team are committed to putting customers first and ensuring all Rogers employees are accountable in supporting our customer experience. We continue to focus on self-service options for our customers, as research shows this is how customers want to interact with us. We have continued to invest in training and tools for our customer service representatives. In 2017, we measured our progress through our Net Promoter Score (NPS).

All of our customer-facing teams, including Customer Care, Technical Support, and Retail, are under the leadership of our Interim President, Consumer, reporting directly to our President & CEO.









CSR at Rogers

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Our performance trends	2017	2016	2015	2014
Customer retention - wireless monthly churn rate (postpaid)		1.23%	1.27%	1.27%
Customer retention - wireless monthly churn rate (prepaid)	3.48% 오	3.32%	3.45%	3.42%
Complaints reported to Rogers Office of the Ombudsman	3,542 오	4,132	3,627	4,013
Percentage of complaints resolved by Rogers Ombudsperson within 60 days	99% 오	99%	90%	90%
Complaints accepted by The Commissioner for Complaints for Telecommunications Services (CCTS) <sup>1</sup>	1,641 오	1,406	2,421	3,284

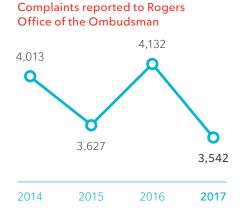
<sup>1</sup> Complaints measured from August 1 to July 31. 2014 and 2015 include Fido and Rogers; 2016 and 2017 includes Rogers, Fido, Mobilicity, and Chatr. Independently assured in 2017.

#### Our customer service performance: an analysis of the numbers

Throughout 2017, we continued to invest in the customer experience as a part of our overall strategic plan and we have seen consistent overall improvement in our customer service metrics. Our performance metrics from 2017 include:

- complaints received by our Office of the Ombudsperson were 3,542<sup>2</sup>, down 14% from 2016;
- our postpaid churn dropped by three basis points to 1.20%<sup>©</sup>, our best result since 2010;
- prepaid churn increased by sixteen basis points to 3.48%<sup>o</sup>; and
- customer complaints, as reported by the CCTS increased by 17% from 2016 to 1,641°.

Although our CCTS complaints increased in 2017, we continued to work with the CCTS to handle and resolve complaints in a fair manner. Of the complaints accepted by CCTS, we had a 90% resolution rate. The most common complaints received were about non-disclosure, misleading information about terms and conditions, and incorrect charges, which is consistent with the top complaints lodged industry-wide. We aim to help our customers find solutions to their problems, either through self-service or by reaching out to Rogers Customer Care representatives.







CSR at Rogers

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#### Customer experience

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Our Ombudsperson is the highest internal level for problem resolution and advocates for fairness in treatment of disputes and efficient resolution for customers for all of our products and services. In 2017, we had 3,542° complaints reported to our Office of the Ombudsperson, a 14% decrease from 2016. Of those complaints, 99%° were resolved within 60 days, on par with the previous year. The main issues identified through our resolution process in 2017 related to billing, hardware upgrades, service changes, technical support, and promotions.

Our NPS score continued to improve in 2017. For competitive reasons we do not disclose our targets or scores. Through NPS, we look at two indicators: Relationship NPS, which tells us how customers perceive our brands and products, and Touchpoint NPS, which tells us about our customers' recent interactions with our frontline representatives and our other self-service tools. In 2018, we will be replacing NPS with Likelihood to Recommend (LTR) to learn how customers feel about Rogers and its brands.

#### Key programs, improvements, and challenges

We continue to make improvements across our operations to better the customer experience, including fixing the root causes of issues that may provide a negative experience. We also continue to focus on self-service solutions and make improvements to our internal structure to provide greater focus on the customer. To this end, our Retail, Customer Care, and Technical Support teams are now under the leadership of one executive leadership team member. We have implemented programs to simplify processes, improve our customer communications, and make it easier and faster to do business with us. These programs include:

- increasing security and fraud protection by implementing Voice ID, which identifies customers calling our call centres by their voice;
- making returns and refunds easier, which includes allowing customers to return defective devices without the original packaging and simplifying refund codes and processes for our frontline employees;
- improving our customer communications, which includes fixing errors in notifications, clarifying the language on a customer's final bill, creating e-mail notification systems to alert customers when Smart Home Monitoring batteries are low, and improving follow-up procedures for customers;
- implementing guaranteed faster free shipping for wireless orders made online or through our agents, thereby improving the buying experience and wait times;
- revamping our stores, with 54 renovated in 2017 to improve the in-store experience; and
- investing in frontline tools and training to set our frontline teams up to deliver the best customer experience possible.



Good governance

#### Customer experience

Employee experience Environmental responsibil Community investment We also:

- continued to offer existing customer service programs including customer support through Facebook Messenger and Twitter;
- offered worry-free roaming for \$7 per day in the United States and \$12 per day in over 100 international destinations through Roam Like Home and Fido Roam;
- redesigned MyRogers and Fido My Account apps to make them more customer friendly; and
- launched a data management tool that allows customers on Share Everything plans to monitor their data usage and Stream Saver, which allows users to get more out of their data plan by switching video streaming settings between high definition and standard definition.

In 2018, we will continue to focus our energy on overhauling customer service processes, simplifying our product offerings and pricings, making enhancements to our website and apps, and investing in tools for our frontline teams. We are tying 50% of our 2018 companywide bonus plan to the achievement of certain customer metrics.

#### Wireless Code of Conduct

Rogers is a supporter of the Wireless Code of Conduct as it aligns with our goals of simplifying the customer experience. Rogers implemented most of the requirements of the new Wireless Code, including unlocking customers' mobile devices upon request for free, providing data overage and roaming caps, receiving authorized consent for additional charges, and providing critical summary information on wireless contracts. There are three areas related to bill management where we needed additional time to put in place some of the technical and billing system changes. The CRTC granted us an extension and the number of customers impacted was minimal and reactive credits were applied.

## Network leadership and innovation

#### Why it's material

Our customers want reliable and worry-free networks. Data use across our networks is doubling every 18 to 24 months and the average number of connected devices has increased to 11 per household (OECD, 2014).

#### Management approach

One of our Strategic Priorities is investing in our networks and technology to deliver leading performance and reliability. In 2017, we shifted our approach to focus on core performance and reliability. We are also investing in our wireless network to get ready for the next generation of wireless technology.

Our network teams report to our Chief Technology Officer, who reports directly to our President & CEO.



CSR at Rogers Good governance

#### Customer experience

Employee experience Environmental responsibil Community investment Economy and society

Our performance trends	2017	2016	2015	2014
Capital expenditures (in millions of dollars)	2,436 오	2,352	2,440	2,366
Approximate percentage of Canadian population covered by Rogers overall LTE network	96%	95%	93%	84%

• Independently assured in 2017.

#### Network coverage and investments

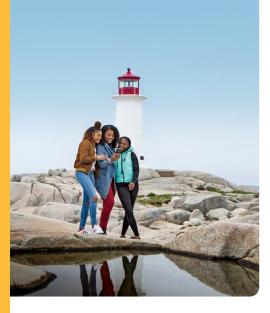
We incurred \$2,436 million<sup>o</sup> of capital expenditures in 2017, a 4% increase from 2016, with much of that investment going to our wireless and cable networks.

Highlights from the past year include:

- extending our 700 MHz LTE network to reach 92% of Canada's population and extending our overall LTE coverage to 96% of the population;
- improving and expanding service in British Columbia, including Vancouver Island, Kelowna, West Kelowna, and Westbank First Nations. We also improved service in popular venues such as Tsawwassen Mills and Abbotsford Highstreet Shopping Centre, helping both small businesses and customers with connectivity, as well as providing connectivity on Vancouver's SkyTrain for commuters and tourists;
- investing in communities across Alberta with expanded LTE wireless service in Lethbridge and between Banff and Calgary;
- expanding wireless services in Manitoba by offering customers LTE-Advanced (LTE-A) in communities such as Winnipeg, Brandon, Portage La Prairie, Selkirk, Steinbach, Gimli, Morden, Winkler, Churchill, Thompson,

and Flin Flon. LTE-A is the next generation of network technology, combining two or more bands of spectrum to create a larger "pipe" for data to travel on and provide a more consistent experience for customers;

- turning on 700 MHz spectrum in Western Canada, including Manitoba, Alberta, and British Columbia, which provides better coverage in hard to reach places such as basements, elevators, and buildings with concrete walls;
- expanding our fibre infrastructure and reducing the number of homes passed per node to increase speed and reliability of our cable and Internet service;
- augmenting sections of our existing LTE network with 4.5G technology investments that are designed to migrate to a 5G environment; and
- initiating 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.



CSR at Rogers Good governance

#### › Customer experience

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#### **Tower siting**

We make every effort to locate our cell towers in areas that minimize the impact on surrounding neighbourhoods, while providing reliable wireless service to customers. We explore collocating our antennas on existing towers and mounting our equipment on existing structures or rooftops before proposing to erect a stand-alone structure.

As a condition of our spectrum licences issued by ISED Canada, we are required to follow their tower siting guidelines. These guidelines set out the process we must follow when seeking to locate new wireless communications infrastructure in a community, including when we are required to engage and consult with the municipality and the public. As a result, Rogers consults with local municipalities for all proposed stand-alone tower installations, regardless of the height of the proposed structure. As a part of the process, we also take into consideration the siting preferences of municipalities. These are typically defined in each municipality's tower siting protocols, which include the type of public consultation required, preferred locations, and recommended steps to blend them into the surrounding environment, as necessary.

#### Innovation

Innovation has always been a part of our DNA, whether it is for business customers or individual consumers. In 2017, we started employee trials on Ignite TV, which leverages Comcast's X1 IPTV platform. These trials followed successful laboratory and technology trials. The X1 innovation goes beyond TV and includes a roadmap to a connected digital home experience. We are preparing for a commercial launch later in 2018.

How people use the Internet is changing. The average Canadian has 11 connected devices in their home and by 2020, that number is estimated to climb to 20 connected devices while our network traffic is estimated to grow by 400% (OECD, 2014). As customer demand for Internet grew in 2017, we introduced new residential broadband Internet tiers to deliver faster speeds and bandwidth to accommodate their needs. Our Internet plans currently come with no term contracts so that customers can change their plan at any time based on their needs. These plans help customers manage their residential broadband Internet needs as they add connected devices in their homes, without worrying about data caps or slow speeds.

### Product responsibility

#### Why it's material

#### Customers expect that the products they use are reliable, and accessible with minimal environmental impacts.

#### Management approach

We comply with all relevant safety regulations and codes, have programs and teams to manage and advise on our accessibility offerings, and operate stewardship programs to manage the proper disposal and recycling of our used products. Through our Media division, we strive to reflect diverse communities and we have policies and standards in place to guide us in producing accurate and fair news on all platforms.

Given our diverse product offerings, product responsibility is managed across our organization. Accessible products and services as well as product take-back is overseen by our Legal and Corporate Affairs team, working together with our consumer business unit, while topics such as editorial independence are managed by our Media business unit.

Our performance trends 2	2017	2016	2015	2014
Devices collected and processed for reuse and recycling 181	, <b>773○</b> 14	4,806 6	3,516 72	2,568

Independently assured in 2017.

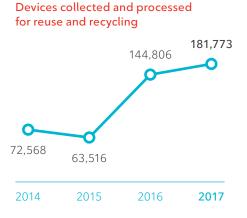
#### Product take-back

In 2017, we collected and processed 181,773<sup>•</sup> wireless devices for reuse and recycling, a 26% increase from 2016. We collect used devices and accessories through both the Rogers Trade-Up and FidoTrade programs, which offer customers credit towards a new phone. We also collect phones that have no value. We are pleased with the trend that shows an increase in phones collected. We attribute this to increased consumer awareness of the ability to recycle your wireless device and promotion of the Rogers Trade-Up and FidoTrade programs. We also continued to air public service announcements on our radio stations made by the Canadian Wireless Telecommunications Association, educating customers on the ability to recycle wireless devices in stores.

CSR at Rogers Good governance

#### Customer experience

- Employee experience
- Environmental responsibility
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## CSR at Rogers



In addition to collecting used wireless devices, we also collect other electronic waste, including cable and Internet products. In 2017, we collected 391,263 kg of cable products for refurbishment or recycling. These products, including set-top boxes, were either refurbished or recycled with our electronics waste vendor.

### Accessibility

In 2017, we continued to enhance our accessibility offerings. This year, we met with accessibility advocacy groups both individually and as an industry collective. Through these meetings, we learned first-hand about the needs of our stakeholders and how they rely on our products and services. We will continue to monitor the needs of our communities as we go forward.

For more information on current offerings, please visit the <u>Accessibility Services</u> section of our website Some of the initiatives undertaken in 2017 to address accessibility needs included:

- redesigning our websites to meet WC3 compliance standards. We also standardized how we approach accessibility in the development of our digital platforms and procured a tool that will allow us to monitor compliance across our website;
- researching, developing, and testing a screen reading cable product for customers who are visually impaired or have low vision. This research is available to all telecommunications and cable providers and was funded through the Broadcast Accessibility Fund;
- continuing to have a specialized team that is well versed in our accessibility offerings and provides service over the phone or through online live chat;
- conducting a review of our plans for customers with accessibility needs to ensure the plans were still meeting the needs of our customers. Based on research and consultation with stakeholders, we updated our plans in early 2018 to offer a discount to both Rogers and Fido customers with certain disabilities that result in accessibility needs; and
- continuing our internal accessibility ambassador program, which is comprised of employees who self-identify as having accessibility needs, allowing members to try out our products and services and provide feedback on their usability. This valuable input helps us recommend the right devices to our customers with disabilities.

- CSR at Rogers Good governance
- › Customer experience
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### **Product diversity**

We are committed to reflecting the diverse fabric of our country. Across our communications business, we offer customer service and self-service through an Interactive Voice Response (IVR) system in French, English, Cantonese, and Mandarin. Self-service through our IVR system is a quick and easy way for customers to complete transactions on-the-go directly from their phones.

OMNI Television is Canada's largest multilingual and multicultural television broadcaster with a focused mandate to reflect the diversity of our audiences. In 2017, OMNI expanded across the country with the launch of OMNI Regional, a national specialty channel composed of four regional channels that is available on all digital basic television packages. OMNI Regional delivers a wide range of locally produced and acquired programming in multiple languages including daily national newscasts in Italian, Punjabi, Cantonese, and Mandarin, as well as current affairs and popular entertainment programming.

To better serve Quebec's diverse multilingual communities, we partnered with independent broadcaster ICI Television to offer local information, lifestyle, and entertainment programming in 2017. Referred to as ICI Television in Quebec, the channel broadcasted OMNI's daily, national newscasts in Cantonese, Italian, Mandarin, and Punjabi.

### **Editorial independence**

Rogers is committed to ensuring that our news teams are able to report news stories independently and without editorial interference. In 2017, we revised our News Policy, which outlines the principles and standards that guide us in producing news on all of our platforms. Our News Policy is comprehensive and outlines the Code of Conduct for our news employees, as well as journalistic practices and integrity.

Rogers media business is required to operate within Canadian laws and to consider the consequences of what we broadcast and publish. We aim to ensure we are accurate and fair in our reporting, and are telling stories that matter to Canadians. We also have the goal of reflecting the diversity and multicultural dynamics of Canada.



CSR at Rogers Good governance

### Customer experience

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## Privacy and information security

### Why it's material

Privacy is top of many stakeholders' minds and is increasingly on the list of questions raised by the CSR community and customers. The potential of a data breach is an ongoing threat for any large organization that holds customer information.

We have 10.5M Wireless, 2.2M Internet, 1.7M Television, and 1.1M Phone subscribers and we need to keep their personal data safe and secure.

### Management approach

Protecting our customer and employee data is one of our top priorities. We actively work to improve transparency and strive to be an industry leader in the privacy space.

Our <u>Privacy Policy</u> outlines our responsibilities and practices regarding the protection of the personal information of our employees and customers. Our Chief Privacy Officer oversees our compliance with this policy and all applicable laws and responds to requests from law enforcement for customer data. Our Vice President, Information Security is responsible for our Information and Cyber Security teams and reports to our Chief Information Officer. Our Cyber Security team closely monitors emerging threats and continually introduces new controls to protect our customers.

All employees receive annual Business Conduct training, which highlights privacy responsibilities and practices. All employees are directed to report suspected privacy breaches to the Rogers STAR Hotline.

Our performance trends	2017	2016	2015	2014
Well-founded privacy complaints with the federal Office of the Privacy Commissioner	0	2	0	0

CSR at Rogers Good governand

Customer experience

Employee experience

Environmental responsibility

Community investment



CSR at Rogers Good governance

### Customer experience

Employee experience Environmental responsibili Community investment

### Privacy and data security

In 2017, we had nil well-founded complaints with the federal Office of the Privacy Commissioner of Canada (OPC). There were three complaints brought forth by customers, but all were discontinued by the OPC.

In 2017, we revised our <u>Customer Privacy Policy</u> and simplified our approach in communicating the policy to our customers. We did this by creating Frequently Asked Questions for each of the Personal Information Protection and Electronic Documents Act's (PIPEDA) 10 principles and addressed them in our terms of service. We also posted a more detailed Frequently Asked Questions on privacy on our website.

Rogers takes the security and privacy of our customer data seriously and has put safeguards and processes in place to help protect this data and minimize the risk of unauthorized access. When we are made aware of a suspected breach of privacy, we follow a strict protocol to deal with the issue. This involves, as applicable, an internal investigation, assessment, mitigation strategies, and steps to mitigate the issue from happening in the future. We also have obligations to inform the OPC, which we have fulfilled.

We also collaborate with suppliers, governments, and industry partners to help make our networks safe and secure. In addition, every device we sell meets Government of Canada standards and is certified for use in Canada. Specific developments in both our internal privacy programs and customer offerings in 2017 included:

- undertaking internal awareness campaigns to educate our employees, including an Ask Me Anything session with our Chief Privacy Officer on Privacy Awareness Day, as well as a series of articles featuring an interview between our Associate Privacy Officer and the Director General Communications of the OPC on the subject of how to keep children safe online;
- creating an online tool to ask customers how they would like to hear from us, going beyond compliance with the Canada Anti-Spam Legislation (CASL). We also participated in an industry-wide review of CASL and made recommendations to the OPC for updates;
- launching Voice ID, which gives an extra level of protection for our customers, allowing them to identify themselves by voice. To date, over 500,000 customers have registered for Voice ID and we will continue to educate them on this new features; and
- monitoring and putting in safeguards to protect against cyber-security threats, including the recent WannaCry threat.



CSR at Rogers

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### Transparency

Rogers is committed to informing customers through transparency reporting about how often government agencies and police forces request customer data and how often we disclose it. For the last five years, we have voluntarily disclosed the number and types of requests we received. At Rogers, we only share customer information with law enforcement when required by law with an appropriate judicial authorization or in emergencies after careful consideration of the request.

Request types	Total	Disclosed	Rejected	Data not available
Totals <sup>1</sup>	109,956	106,837	316	2,803
Court Order/Warrant <sup>2</sup>	100,708	99,916	68	724
Government Requirement Letter	1,711	1,401	79	231
Emergency Requests from Law Enforcement Agencies	7,537	5,520	169	1,848
Emergency Responder Requests from 911	67,255	60,800	0	6,455
Foreign Requests	0	0	0	0

<sup>1</sup> We measure the total requests based on the number of impacted customers. For example, one court order that requests information on 10 customers counts as 10 requests. Emergency responder requests from 911 are not included in the total as we will always respond to these requests to the best of our ability. However, emergency requests from law enforcement agencies are included in the total because there is an interpretive role in such requests and we have scope to protect customer data.

<sup>2</sup> This total does not include the number of customers impacted by tower dumps. In the 2016 Report, the total included the number of customers impacted by tower dumps.

A tower dump is a technique used to identify all devices that were utilized in the coverage area of a cell site during a defined period of time. In 2017, Rogers received 367,387 tower dump requests. Of these requests, we made 36,017 disclosures.

### Refer to the <u>Rogers 2017 Transparency Report</u>

for additional information.

Request types	Total	Disclosed	Rejected			Partial disclosure, full data not avilable
Tower Dumps						
Total tower dump production orders	511	358	6	0	86	61

Employee experience

# **Employee experience**

We believe that our people are our greatest assets. We continue to make improvements to the employee experience so we can improve our teams' engagement, build a high-performing culture, and deliver better service and results for our customers and Company.



# Highlights this year



ZOIB CANADA'S BEST DIVERSITY EMPLOYERS



Achievers 50 Most Engaged Workplaces<sup>®</sup> 2017



# Talent management

### Why it's material

Career growth, development, benefits, and compensation are important to our team. We want to build a high performance culture; to do so, we need to address the things that matter most to our team. If we provide our employees with development opportunities and offer fair compensation and benefits, they will continue to innovate and better serve our customers.

### Management approach

"Developing our people and a high performing culture" is one of our Strategic Priorities.

It is our goal to invest in building the skills, capabilities, and careers of our people to support their success and to make Rogers the best place to work in Canada. To achieve this, it is important that we live our values, develop our teams, and continue to support our employees on their career journeys.

Our Chief Human Resources Officer oversees talent management, while the Human Resources Committee assists the Board in monitoring, reviewing, and approving compensation and benefit policies and practices.

# "Culture is at the heart of our success and our people are our most valuable asset."

Joe Natale

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### > Employee experience

Environmental responsibility Community investment Economy and society



CSR at Rogers Good governance Customer experience

### > Employee experience

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Our performance trends	2017	2016	2015	2014
Investment in training (\$ in millions)	50.5	59.1	56.6	39.6
Investment in training per employee (\$)	1,595	1,821	1,563	1,122

### **Training and development**

In 2017, we invested \$50.5 million in development, a 15% decrease compared to 2016. This is equivalent to \$1,595 per employee, a 12% decrease compared to 2016. Our training and development spend decreased as we aligned our investment to new organizational priorities and made modest enhancements to programs that were developed and launched in previous years.

We view development as a mix of experiences, relationships, and formal training. Investing in employee development programs has continued to be a key driver of employee engagement, as we have learned through our recent employee surveys, town halls, and other avenues for employee feedback. In addition to driving stronger employee engagement, investing in development helps us to reinforce our values, build stronger teams, and helps drive strong performance as a company. In 2017, we undertook certain initiatives and programs to develop employees, support them in their roles, and engage them in their career growth. We:

- conducted our annual development planning cycle, with over 50% of employees creating a personal development plan. We also conducted workshops to help employees with their development planning;
- continued to enhance our online career development portal, which provides all employees with access to self-assessments, soft skills development, and guides to having meaningful career conversations; and
- offered online career self-assessments to help employees identify their strengths and opportunities. In 2017, 3,760 employees completed the "Know Your Strengths" assessment and 4,674 took advantage of the "Know Your Relationships" assessment;

- offered robust leadership development programs focused on leadership skills and connecting leadership to culture and results. Our leadership development programs include The House (for employees at Director level and above), the Manager Program (for people managers), Coaching for Results (for employees at Director level and above), and Confident Communicator (for people managers and above);
- offered Co-op and New Grad Leadership Development programs to current and recently graduated university students;
- continued to offer our frontline training program, including Retail Academy and Sales Academy, in addition to our regular New Hire and cross-training programs;

- held two mentoring programs: Mentoring Circles, which offers group-based mentoring, and Mentor Market, which provides one-on-one mentoring. Our different business units also have their own mentor programs, allowing employees to be mentored by leaders within their field; and
- enhanced our national onboarding program by launching Onboarding Lite.

### Number of employees trained in selected in-house leadership development programs

Program	2017 Participants	2017 Hours	2018 Target (number of participants)
The House	621	17,699	144
Manager Program	700	28,000	500
Coaching for Results	137	4,483	120
Confident Communicator	510	1,951	500

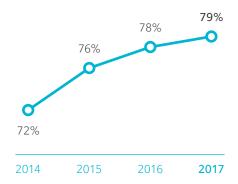
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### Employee engagement score



Our performance trends2017201620152014Employee engagement score79% °78%76%72%Participation in the employee engagement survey85% °81%73%80%

Independently assured in 2017.

### Employee engagement

Our employee engagement score is measured through an annual company-wide survey, composed of questions focused on the employee experience. It provides insight into how our employees feel about us as an employer and what we can do to improve their experience. In 2017, we continued our four-year trend of increasing our employee engagement score. We achieved a score of 79%<sup>2</sup>, up one point from 2016, and a participation score of 85%<sup>2</sup>, four points higher than the previous year. The engagement score is one point shy of our target of a best-in-class benchmark defined by IBM Kenexa, a leading consultant for employee engagement surveys. As we have continued to gather feedback and take action on our teams' key drivers of engagement, our employee engagement score has been trending positively for all employees across regions within Canada.

Based on the previous year's survey findings, we focused on employee development as it was the area most important to our team. Since investing in this area, we saw a four-point increase in survey results relating to growth and development. We also saw an increase in our score as it relates to leadership, collaboration, and performance, demonstrating that our investments in these spaces are having the intended impact.

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### > Employee experience

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### Voluntary turnover rate







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Our performance trends	2017	2016	2015	2014
Voluntary turnover rate	15.6% 🛛	14.1%	16.8%	14.7%
Internal placement rate	30.6%	31.9%	28.6%	27.1%
Total employees (approximate)	24,500	25,200	26,200	27,000
Independently assured in 2017.				

### Employee retention and internal mobility

In 2017, voluntary employee turnover increased by 1.5 points to 15.6%<sup>•</sup>. We attribute our voluntary turnover to a restructuring process in 2017, which saw some business units amalgamate. During previous restructuring periods, we have seen an increase in voluntary turnover. Our internal placement rate was 30.6%, a 1.3-point decrease from 2016. Both our voluntary turnover and internal placement rates include full-time and part-time team members in all business units. Retention and development of our talent not only helps employees build rewarding careers, but helps us with our core business by building and retaining successful teams.

Rogers has guidelines to prioritize internal applicants over external applicants for new postings. To execute this, we first post all positions internally for two weeks and interview all qualified internal candidates. Our New Grad Leadership Development Program is a rotational program that provides recent graduates with experience in a variety of business areas while being supported by coaches and business leaders. In 2017, we hired 70 employees into the program, and increased applications by 76% from 2016 through targeted online and on-campus promotional initiatives. In addition, the Student and New Grad team works with business units to provide hiring support and guidance for co-op and internship opportunities. These student experiences allow us to build a strong talent pipeline for both new graduate and other positions. Positions are open to both internal and external candidates.



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### **Total rewards**

Total salaries and benefits, excluding payroll taxes, for fulltime and part-time employees in 2017 were \$2,120 million, an increase of \$51 million from 2016. The increase is primarily the result of Blue Jays player salaries and pension expenses. The Total Rewards program at Rogers rewards and recognizes employees for achieving winning results while demonstrating commitment to our corporate values. Our program includes health benefits, generous employee discounts, and a competitive wealth accumulation program that consists of a defined benefit or defined contribution pension plan, share accumulation plan, taxfree savings account, and group RRSP. We also regularly host retirement planning sessions for our employees, quarterly webinars to promote our wealth accumulation programs, and we send regular reminders to employees who have not yet enrolled in the programs.

The Rogers Corporate Recognition Program, known as the Ted Rogers Awards in honour of our founder, honours employees who have displayed outstanding commitment to customers, created new benchmarks for success, led innovative initiatives, made impactful differences within communities, or become ambassadors through public service excellence. In 2017, we distributed 1,400 awards to employees from over 5,800 nominations. Our President & CEO selected the best-of-the-best from the winners list and presented them with the CEO Award at a gala held in Toronto.

Our performance trends	2017	2016	2015	2014
Employee salaries and benefits, excluding payroll taxes (\$ in millions)	1,987	1,936	1,839	1,805
Percentage of eligible employees who participate in the Rogers defined benefit pension plan <sup>1,2</sup>	53%	59%	49%	44%
Percentage of eligible employees who participate in the Rogers defined contribution pension plan <sup>3, 4</sup>	6%	5%	n/a	n/a
Percentage of eligible employees who participate in the employee share accumulation plan <sup>5</sup>	73%	73%	68%	62%
Percentage of eligible employees who participate in the Rogers Global RRSP plan <sup>5</sup>	28%	28%	26%	25%
Percentage of eligible employees who participate in the Rogers Group TFSA plan <sup>5</sup>	13%	11%	8%	6%

<sup>1</sup> Eligible employees include all full-time and part-time employees who had accrued at least three months of service prior to June 30, 2016.

<sup>2</sup> The plan was closed to new enrollment on June 30, 2016.

<sup>3</sup> The defined contribution pension plan was launched in July 2016.

<sup>4</sup> Eligible employees include all full-time and part-time employees who had accrued at least three months of service, and who did not already participate in the defined benefit pension plan.

<sup>5</sup> Eligible employees include all full-time and part-time employees who had accrued at least three months of service.



CSR at Rogers Good governance Customer experience

### > Employee experience

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### Inclusion and diversity

### Why it's material

An inclusive culture values unique thoughts, experiences, and work styles in pursuit of business performance. The culture encourages employees to bring their whole selves to work. People are engaged and are likely to perform to their full potential when their contributions count and they are treated with respect.

### Management approach

As part of our goal to develop our people and a high performing culture, we aim to create an open, trusting, and inclusive workplace where diversity of thought and straight talk are embraced. We believe that reflecting the diversity of our customers and communities allows us to serve them better.

Our Inclusion & Diversity Council (IDC) is comprised of leaders from various business units who oversee the development and implementation of the Company's Inclusion & Diversity strategy. Initiatives are supported by employee-led teams, representing Women, Visible Minorities, Persons with Disabilities, Indigenous Peoples, LGBTQ+, and Millennials, that create opportunities for employees to connect personally, professionally, and with their communities.

We have established representation goals to help monitor our progress towards advancing diversity. We aim to increase representation at the executive level for Women and Visible Minorities, and increase representation overall for Persons with Disabilities, Indigenous Peoples, and LGBTQ+. We evaluate the success of our Inclusion and Diversity approach in a number of ways, including:

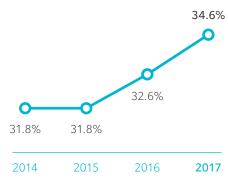
- the representation of diverse groups in our workforce;
- the results of our Inclusion Index, which measures employee perceptions; and
- external recognition and benchmarks, including labour market availability.

Women - overall 39.7% 39.2% 0 38.4% 38.4% 2014 2015 2016 2017

Our performance trends	;		2017	2016	2015	2014
Group	Position <sup>1</sup>	Labour market availability <sup>2</sup>		Representati	ion at Rogers	
Women	Senior Managers	27.4%	26.5% 오	30.1%	27.9%	28.9%
	Overall	46.9%	38.4% 오	38.4%	39.2%	39.7%
Visible Minorities	Senior Managers	10.1%	13.5% 오	13.4%	13.4%	10.0%
	Overall	25.3%	34.6% 🛇	32.6%	31.8%	31.8%
Indigenous Peoples	Senior Managers	2.9%	0.0% 🛇	0.0%	0.0%	0.0%
	Overall	1.8%	0.9% 😒	0.8%	0.9%	0.9%
Persons with Disabilities	Senior Managers and and other Manager	d Middle s 4.3%	1.8% 오	1.3%	0.9%	0.8%
	Overall	4.9%	2.2% 오	1.6%	1.1%	1.1%

<sup>1</sup> Position is defined by the Legislated Employment Equity Program under the Employment Equity Act. Senior managers are officials holding the most senior positions the Company. They are responsible for the Company's policy and strategic planning, and for directing and controlling the functions of the organization. Middle and other managers receive instructions from senior managers and administer the Company's policy and operations through subordinate managers or supervisors. Senior managers and middle and other managers comprise all managers.

Visible minorities - overall



### > Employee experience

Independently assured in 2017.

### 2017 performance

In 2017, we saw movement in our diversity metrics across the following areas:

- We saw a 3.6-point decrease in Women in Senior Manager positions over the previous year. This decrease is due to refining our data management for the 'Senior Managers' category, which now comprises only Vice President level and above.
- Our percentage of Visible Minority employees in Senior Manager positions increased by 0.1 points to 13.5%<sup>2</sup>, while we increased the number of Visible Minority employees overall to 34.6%<sup>2</sup>, up two points from 2016, which is well above labour market availability.

- Our percentage of Indigenous Peoples employees increased by 0.1 points to 0.9%<sup>2</sup>.
- We saw a 0.5-point increase in Persons with Disabilities in management positions, as well as a 0.6-point increase in employees with disabilities overall.

In addition, the Inclusion Index within our employee engagement survey increased by three points in 2017, telling us that employees are feeling included at work.

<sup>2</sup> Labour market availability based on 2011 census data.







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### Key initiatives in 2017

In 2017, we placed particular focus on recruitment of diverse groups at the employee and executive level, and continued to amplify existing programs that advance inclusion by celebrating the diversity of our employees. Initiatives undertaken in 2017 included:

- working with Lime Connect, Indigenous Works, and Native Canadian Centre of Toronto to help have a diverse pool of external candidates for job postings. We believe that these relationships have helped to increase our overall representation of Persons with Disabilities and Indigenous people;
- mandating diverse recruitment of candidates for all positions at the Vice President level and above. We also embed diversity in all talent reviews and calibrations across the organizations;
- conducting a three-year analysis of women's movement within Rogers to help us understand patterns and guide our plans to retain and promote women going forward. In addition, we conducted a workforce analysis to identify opportunities for retention and internal mobility across diverse groups;
- sponsoring the North American Indigenous Games in the Greater Toronto Area;
- hosting our first-ever Smudging Ceremony to welcome the spring season, to clear negative energy, and invite peace and harmony;

- increasing our network of employee resource groups.
   For instance, Rogers Women's Network (RWN) expanded by four additional chapters in Vancouver, Ottawa, Montreal, and Moncton, adding to the existing chapters in Brampton and Toronto. The events organized by RWN last year were attended by approximately 2,500 employees in person or remotely;
- expanding our Pride celebrations with employee events in twenty of our office locations. These events coincided with our sponsorships of Pride parades in Toronto, Montreal, and Vancouver through our Fido brand;
- hosting a livestream event with President & CEO, Joe Natale, and Board Director, Melinda Rogers, discussing women in leadership. The event also allowed for audience members to ask questions regarding their approach to inclusion in the workplace;
- hosting our second annual Rogers Inclusion Film Festival where videos were presented to our employees that explored themes related to the untapped talent market of Persons with Disabilities as well as mental health support. Discussion was also included to facilitate transparent conversation about the employee experience;
- providing gender-neutral washroom designs in our renovated workspaces across our offices; and
- continuing to partner with The Mentoring Partnership, through Toronto Region Immigrant Employment Council, which helps skilled immigrants connect to meaningful employment while advancing the leadership skills of Rogers employees who sign up as mentors.



CSR at Rogers Good governance Customer experienc

### > Employee experience

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# Safety and well-being

### Why it's material

As a large employer, we need to have programs in place to protect the health, safety, and well-being of our employees, contractors, visitors, and volunteers. We also know that the main drivers of absenteeism are mental health challenges and ergonomics issues. Employee health and well-being can also increase productivity and foster employee engagement.

### Management approach

We support our employee safety and well-being holistically, focusing on the whole employee, including their physical and mental health at work and in their lives. We are also committed to providing and maintaining a safe and healthy working environment for employees, volunteers, contractors, visitors, and members of the general public who may be affected by our work activity. We continuously improve our policies, systems, and training to better mitigate risk and prevent injuries.

Our Health and Safety Policy and Healthy Workplace Policy outline our commitment to safety and wellness. We have a Health and Safety Executive Council, composed of senior executives from across the company who provide oversight for our strategy, programs, and performance. We also have 60 joint management-worker Workplace Health & Safety Committees representing our larger sites, and Health and Safety Representatives at our smaller sites, who support the safe management of our facilities across the country by addressing local concerns. As part our national well-being program, we have a network of dedicated Executive Champions and 106 Ambassadors to assist with promoting wellness, disseminating information, and coordinating wellness programs at the business unit and local level.

In 2017, we reorganized to bring our Safety, Disability Management, and Well-being teams together, reporting to our Senior Director, Safety and Well-being within our Human Resources Department. This approach allows us to understand and support our employees more holistically, working together to reduce risks, eliminate barriers, and enrich overall well-being.

Our performance trends	2017	2016	2015	2014
Work-related injuries: Lost-time incident rate <sup>1</sup>	0.36 9	0.32	0.40	0.39
Fatalities	0	0	0	0
Number of Workplace Health & Safety Committees across Canada	60	65	66	63
Number of bWell ambassadors across Canada	106	88	80	65

<sup>1</sup> Per 200,000 hours worked.

Independently assured in 2017.

### 2017 performance and strategy

In 2017, our occupational lost-time incident rate was 0.36<sup>o</sup>, which was an increase of 0.04 points from last year. The main drivers of occupation-related absences at Rogers this year were slips, trips, falls, and ergonomic injuries. We also saw an increase in physical and mental injuries related to workplace violence, falls from ladders, and vehicle accidents. Each of these categories has been investigated by our Safety team and Operations team to identify root causes of these accidents. Workplace violence in 2017 resulted largely from store robberies. To support our employees, we are updating the robbery training module for our retail employees and updating our workplace harassment and violence training programs with more retail scenarios. Implementation of and preventative actions for workplace injuries is underway, including changes to tools, equipment, processes, and training.

In 2017, we launched a new safety and well-being strategy, combining safety, disability management, and wellness disciplines under one umbrella. The goal of the new strategy is to protect and enrich our employees' mental and physical safety and well-being, both at work and in their personal lives, and focus on the prevention of occupational and non-occupational injuries and illnesses.

As part of the strategy, we conducted our first safety audits, focusing on work at heights, confined space entry, and occupant safety. We also assessed all people managers to determine their level of awareness of their responsibilities for the safety of their employees. The assessment consisted of 20 questions and allowed Rogers to gauge manager competence in relation to safety and disability management. Our plans for 2018 include increasing and enhancing training for management and employees to help improve awareness and accountability, and to prevent mental and physical injuries and illnesses.

# 106 bWell ambassadors across Canada

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Work-related injuries:

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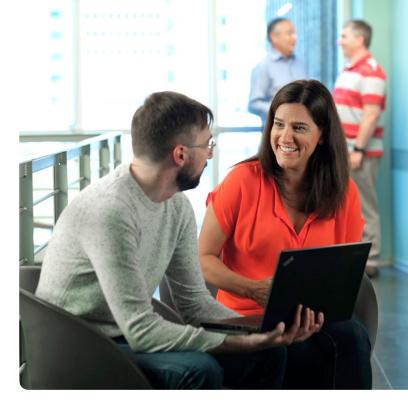
### > Employee experience

Environmental responsibility Community investment Economy and society In 2017, a series of audits on regulatory and policy compliance were completed by third-parties, focusing on managers who supervise employees that work at heights or in confined spaces. Many of our largest offices were also audited for compliance with occupant safety requirements. The results of the self-assessments and audits will be analyzed and reported to management in 2018, with the intent of developing and implementing team-, department-, and corporate-level corrective action plans to continue to improve safety and compliance.

### Supporting employees' mental health

This past year, we emphasized building awareness of our mental health strategy, focusing on communications and initiatives that would help to reduce stigma and support our employees to build resilience. These initiatives included:

- an internal communications plan entitled "How are you?", encouraging employees to check in with themselves and others. This campaign included a launch video featuring our Mental Health Executive Champion;
- a celebration of World Mental Health Day, engaging employees in an online conversation by encouraging them to share what helps them to stay mentally well; and
- partnering with our Inclusion & Diversity team airing the TED Talk "Why we all need to practice emotional aid first" followed by a panel discussion during the internal Rogers Inclusion Film Festival.



To support our employees' mental and physical wellbeing, we launched a new online wellness tool, including a personal health challenge. The challenge is driven by the employee's personal health risk assessment to help them focus their goals and achieve results.

In 2018, we will continue to emphasize mental health and well-being with expanded education and support for people managers and human resources business partners, as well as increase support for employees in higher risk groups. In addition, we will enhance our contractor safety, emergency response, and office ergonomics programs. We will also increase focus on ladder safety as a result of our incidents in 2017 and improve tools, equipment, and processes for risk reduction.

Environmental responsibility



# 2018 CANADA'S GREENEST EMPLOYERS

Selected as one of Canada's Greenest Employers

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### Environmental responsibility

Economy and society

## Highlights this year

5% reduction in GHG emissions from 2016

3% reduction in energy use from 2016

**Environmental responsibility** 

We are committed to embedding environmental stewardship across our business activities. We manage our environmental risk through policies, programs, and targets aimed at reducing our environmental footprint, particularly around the priority areas of

energy and associated GHG emissions and waste.

48% reduction in paper consumed from 2016 728kg of litter collected by employees participating in the World Wildlife Fund (WWF) Shoreline Cleanup

### Managing our environmental impacts

Our environmental strategy is to reduce our environmental footprint, manage our environmental risks, and promote environmental awareness and engagement internally.

Our <u>Environmental Policy</u> outlines our environmental standards and management approach. In order to meet our goals, we focus on the areas where we have the greatest impact - primarily energy use and associated GHG emissions, and waste. Our Environmental Management System (EMS) is the foundation for processes and practices that guide environmental activities across our organization. Based on the ISO 14001 Standard, the EMS includes 24 procedures for environmental compliance, many of which we updated in 2017 to reflect current legislation. In 2018, we plan to roll out internal training on a number of these procedures, particularly relating to the management of hazardous materials. Our Environmental Steering Committee remained active in 2017 through two subcommittees overseeing energy management and environmental compliance. These subcommittees are comprised of executive-level representatives from business units across the Company. Progress and escalated approvals are cascaded to our Vice President, Corporate Real Estate.

# Energy use and climate change

### Why it's material

Climate change is important to all of our stakeholders, including governments, investors, suppliers, customers, and employees.

The demand for faster Internet speeds and more data requires energy and continues to be a growing challenge and cost to our business. Rogers is committed to energy management and efficiencies.

### Management approach

We are committed to managing our energy use and associated GHG emissions. We continue to invest in programs that reduce GHG emissions, particularly as they relate to energy use. We also evaluate and prioritize the initiatives that have the greatest impact and return on investment, with focus on energy use, fleet management, and waste. We also monitor international agreements, such as the Paris Agreement, and pending Canadian federal and provincial legislation to inform our programs.

Our Energy Management Committee oversees our energy programs. This committee comprises executive-level employees from our Network, Real Estate, IT, and Procurement teams, as emissions and energy use are most impacted by activities across these areas of our business.

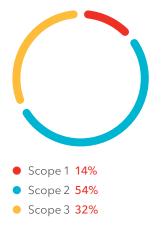
We evaluate our performance through the annual measurement of our GHG emissions and energy use. This annual assessment allows us to quantify our GHG emissions across our operations, analyze trends, and evaluate the efficacy of our emission reduction initiatives.

We have targets to reduce both our GHG emissions and our energy use. These targets are against a baseline from 2011 levels. By 2025, we aim to reduce GHG emissions by 25%\* and energy use by 10%, based on 2011 levels. As of December 31, 2017, we are at 21% reduction in GHG emissions, four points away from our target.

\* Specific to Scope 1 and Scope 2.

### > Environmental responsibility

# 2017 GHG emissions by scope



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### Community investment

Economy and society

Our performance trends (in tonnes of $CO_2e$ )	2017	2016	2015	2014
Scope 1 (e.g. stationary combustion, mobile fuel, fugitive emissions)	31,297	32,132	33,558	38,197
Scope 2 (electricity purchases)	124,279	131,792	136,729	140,928
Total Scope 1 & 2	155,576 오	163,924	170,287	179,125
Scope 3 (e.g. business travel, paper use, employee commuting, office waste)		75,136	77,693	78,723
Total GHG emissions	227,687	239,060	247,980	257,848
Total GHG emissions per million dollars of revenue	16	17	18	20

Independently assured in 2017.

### 2017 performance and strategy

In 2017, we had 227,686 tonnes of  $CO_2e$  in total GHG emissions, a reduction of 5% from 2016. Our Scope 1 and 2 emissions decreased by 5%, due to our energy reduction programs. Our Scope 3 emissions were 72,111 tonnes of  $CO_2e$ , a 4% reduction from 2016. The Scope 3 reduction was a result of lower paper use and employee commuting.

To account for business growth, we report on intensitybased performance (GHG per millions in revenue). In 2017, our GHG emissions intensity was 16 tonnes of  $CO_2e$  per million dollars of revenue, a reduction of 6% from 2016.

Our buildings, including offices, retail stores, and the Rogers Centre, composed the largest portion of our total emissions (34%), followed by transmission sites (24%), employee commuting (21%), and our vehicle fleet (6%).

We continue to undertake a comprehensive approach to our GHG measurement through all aspects of our business. Included in our annual GHG assessment are our buildings and retail stores, cell transmission sites, power supply stations, data centres, vehicle fleet, employee

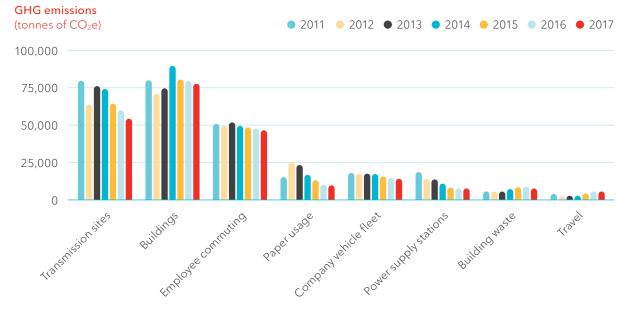
### Total GHG

(absolute vs. normalized per revenue)



Total GHG emissions S1,2 & 3 (Tonne CO<sub>2</sub>e)
 Tonne CO<sub>2</sub>e per million dollar of revenue

travel and commuting, and operations of the Toronto Blue Jays and Rogers Centre. We follow the GHG Protocol methodology, and emission factors applied are based on the latest Canadian National Inventory Report.



### Travel and fleet vehicle management

As part of our workplace transformation program, we have been providing resources to reduce the need for employee and business travel. We provide collaborative tools and technology, with over 300 video conference units across our offices, as well as equipping employees with laptops and applications such as SharePoint, Yammer, OneDrive, and Skype for Business. In 2017, our employees hosted 558,000 video conferences, a 43% increase from last year.

Rogers has a fleet of 1,767 vehicles to help our technicians provide service across the areas in which we do business. We have programs to help manage the environmental impact of our fleet. Efficiencies across our fleet in 2017 included:

- replacing 48 vehicles with new ones that have smaller engines and more efficient powertrains. Based on mileage driven by these vehicles, we reduced our fuel consumption by 15,325 litres and GHG emissions by 35,247 kg;
- investing in smarter car technologies by adopting power inverter systems with auxiliary batteries in our service vehicles, allowing our technicians to operate their equipment and roadside safety lighting without leaving the engine running. To date, we have retrofitted approximately 1,223 vehicles and reduced daily idle times by approximately two days, resulting in a 10% reduction in fuel consumption;
- providing our operations teams with monthly analytics reports, which include engine diagnostics and overdue preventative maintenance. This allows us to flag any vehicles that require service and enables us to keep our vehicles running efficiently while reducing operational costs; and
- enforcing a corporate anti-idling policy to minimize emissions, and continuing to use telematics in our service vehicles to track and report on vehicle and engine performance. Currently we have telematics in 1,541 vehicles, which allows us to monitor fuel consumption in these vehicles.

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<b>Our performance trends</b> (in GJ except for "Total energy use per million dollars of revenue")	2017	2016	2015	2014
Direct energy use	-	558,416	583,285	657,415
Indirect energy use	3,539,376	3,661,140	3,792,486	3,599,503
Total energy use <sup>1</sup>	4,083,288 🕸		4,375,771	4,256,918
Total energy use per million dollars of revenue (GJ / \$ million revenue)	289	308	326	331

<sup>1</sup> Approximately 68% of our energy calculations are from actual data, with the remaining based on estimations using industry-accepted standards. C Independently assured in 2017.

### **Energy use**

In 2017, our total energy use was 4,083,288 GJ, a 3% decrease from 2016. To account for our business growth, our company-wide energy use was 289 GJ per million dollars of revenue, a 6% decrease from 2016. Our energy use figure comprises all company-wide use, including buildings and stores, towers and other related equipment, power supply stations, and fleet. This decrease is attributed to our ongoing energy efficiency initiatives across our buildings and transmission sites.

Relative to our 2025 energy use targets, our use has increased by 9% from 2011 levels. This is due to the growth of our business over the last seven years, increasing from \$12 billion of revenue in 2011 to \$14 billion of revenue in 2017. When normalized for revenue, the overall energy use decrease is 5% from 2011.

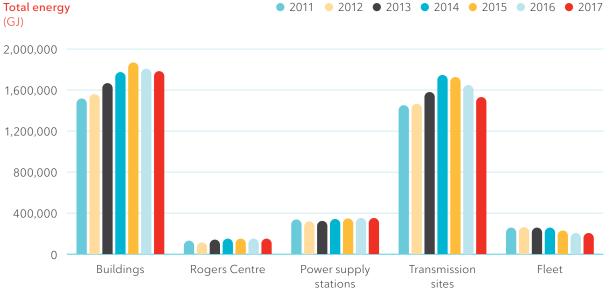
### Total energy

(absolute vs. normalized per revenue)



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### <sup>2017</sup> Energy reduction initiatives

We undertook energy reduction initiatives over the last year in areas where we have the highest use, namely our wireless and cable networks, data centres, and our office buildings.

# Energy efficiency initiatives across our wireless and cable networks include:

- installing free air-cooling technology, which provides telemetry capabilities and permits remote climate control. This initiative reduced our energy by an estimated 16% from before the installation, or approximately 6,000 kWh per year;
- retrofitting half of our tower sites with LED lighting systems;
- continuing to adopt the converged cable access platform, bringing data, video, and voice onto a single platform, transmitting data at a 30% more efficient rate than our cable head-ends (facilities for receiving television signals for processing and distribution); and
- replacing legacy computer room air conditioning equipment with new, more efficient units, increasing cooling capacity.

### **Energy management**

We rely on energy for our business activities and to expand our networks. We are committed to making energy efficient advancements across our operations. Our energy reduction strategy focuses on the following two key areas:

- broadening energy reduction accountabilities and energy-efficient operating standards across our organization; and
- leveraging technology and innovations to improve energy and operational efficiencies.

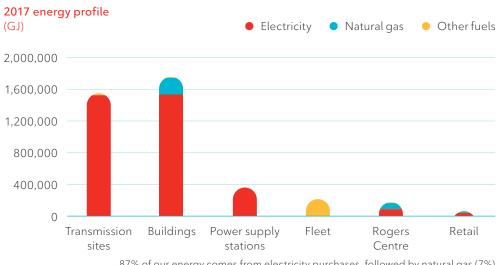
# Good governance Customer experier

Employee experience

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networks include:installing free air-cooling technology, w



87% of our energy comes from electricity purchases, followed by natural gas (7%) and other fuels (6%) primarily diesel and gasoline.

### Energy efficiencies across our offices include:

- continuing to roll out our LED lighting program, retrofitting ten additional buildings with LED lights.
   As of December 31, 2017, we have retrofitted 32 of our buildings with LED lights. We also engaged a third party to conduct 14 lighting audits at our data centres to identify future projects;
- making use of natural lighting in our renovated office spaces and installing light sensors;
- reducing the number of printers and replacing them with more energy efficient units resulting in fewer plug-loads;
- demonstrating energy efficiency improvements, with a reduction of 88,000 kWh of electricity and 3.6 tonnes of GHG emissions for a typical renovated floor; and
- completing two build retro-commissioning studies, focused on enhancing our building automation systems and opportunities for free cooling.



### Energy efficiencies across our data centres include:

• implementing "Floating Head" technology, a modern climate-control technology that reduces energy consumption in our computer room air conditioning systems. This technology offers long-term savings benefits as well more operational reliability because of its ability to adapt to ambient temperatures.

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### > Environmental responsibility

## Waste reduction

### Why it's material

We generate waste in all aspects of our business operations and through the lifecycle of our products and services. The main types of waste we produce are office waste and electronic waste. Waste reduction and avoidance is critical to improving on our operational efficiencies.

### Management approach

Over the last few years, we have been tackling our office waste by influencing the behaviour of our employees. Our Get Up and Get Green program eliminated garbage bins at employees' desks and encouraged them to use centralized sorting bins, with the aim of diverting at least 70% of waste. We continue to monitor performance across our office, retail, and Rogers Centre properties through our three national waste management vendors and other vendors responsible for managing our telecom and IT-related products and confidential paper.

Our performance trends (in metric tonnes, except percentage of total waste diverted)	2017	2016	2015	2014
Total waste generated (includes office waste)	8,112	8,615	9,428	7,276
Total waste recycled (includes office waste)	5,029	5,039	5,877	4,019
Waste to landfill	3,083	3,576	3,551	3,257
Percentage of waste diverted from landfill	62%	58%	62%	55%

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Percentage of waste diverted

62%

2015

62%

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2017

58%

2016

from landfill

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55%

2014

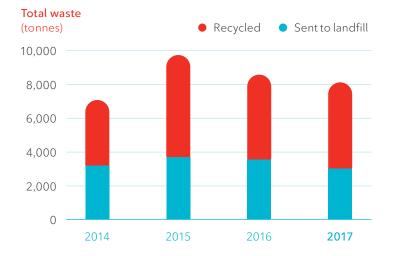
Community investment

### 2017 waste composition



- Waste to landfill 38%
- Mixed recyclables 35%
- Electronics 14%
- Organics 9%
- Waste to incineration 2%
- Other 2%

> Environmental responsibility



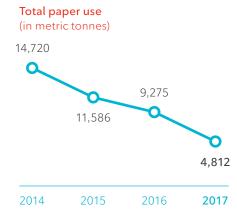
In 2017, we generated 8,112 tonnes of waste materials across our operations from all sources, a decrease of 6% from 2016. We also had a waste diversion rate of 62%, a four-point increase from 2016, which means that we are diverting more waste from landfills. We attribute these reductions to moving towards a more digitized office workplace, stronger collaboration with our vendors, having fewer employees in 2017, and communicating waste separation and recycling best practices to our employees.

### Highlights from our waste reduction efforts in 2017 include:

• increasing the number of Get Up & Get Green waste sorting units across our workspaces. Get Up & Get Green is our internal office waste program that provides waste bins with clearly marked categories to help employees separate materials between organics, paper, recyclable materials, and waste. As of December 31, 2017, we had

786 units, a 75-unit increase from 2016. Through this program, we are aiming for a 70% waste diversion rate;

- providing quarterly reports to our facilities managers to help them increase waste diversion rates at a local level;
- collecting over 350 tonnes of material through our workplace transformation renovations and diverting 97% from landfill through recycling, reusing, and donating used equipment to charities;
- providing glassware, dishes, and cutlery at our cafeterias to reduce the need for disposable items, as well as offering a discount on hot drinks for those who bring their own reusable mugs. We also reduced Styrofoam take-out containers by providing compostable containers;
- Rogers Centre continued to partner with Second Harvest to donate leftover food waste. In 2017, 35 tonnes were picked up by Second Harvest and delivered to various community organizations across Toronto;
- recycling electronic materials that are a part of our business, including servers, batteries, wireless devices, broadcasting equipment, cable wiring, and equipment. In 2017, we collected 1,435 tonnes of electronic waste, a 205% increase from 2016, primarily as a result of greater awareness, workplace renovations, and new product launches resulting in the return of old equipment; and
- recycling 10,072 litres of oil and 2,002 tires in 2017. Since 2011, we have recycled 82,301 litres of motor oil and recycled 15,912 tires.



Our performance trends (in metric tonnes, except percentage of customers)	2017	2016	2015	2014
Total Paper Use	7 -	9,275	,	14,720
Publishing	3,086	6,931	8,676	11,098
Marketing and Communications	1,048	1,405	1,779	2,362
Billing	679	737	865	937
Internal Office Use	73	202	266	323
Percentage of customers who received electronic bills	67% 😒	68%	58%	60%

Independently assured in 2017.

### Paper use

In 2017, we reduced our total paper consumption by 48% from 2016 and 79% from 2011. This significant reduction was achieved by:

- shifting our magazine content strategy to respond to customers' growing appetite for digital content, moving more of our publications online rather than producing print versions. Some of our print publications, including Maclean's, also reduced the frequency with which they are published. As a result, paper used in the production and printing of traditional magazines declined by 55% since 2016 and an incredible 82% since 2011;
- reducing paper used for marketing by 25% this year as more advertising moves to digital properties and social media;

- encouraging employees to use less paper by adopting technology platforms such as Skype for Business and OneDrive, which allow you to share presentations virtually, reducing the need to print. We have also reduced the number of printers across our operations over the years, resulting in a 64% reduction of internal paper use compared to 2016;
- maintaining our percentage of customers who received electronic bills at 67%, a 33-point increase from 2011.
   With our improvements to our online billing and customer apps, it is easier for customers to view and understand their bills online, thereby reducing the need for paper bills. Paper used for billing in 2017 was 16% lower than 2016 and 61% lower than 2011; and

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- Employee experience

### > Environmental responsibility



 encouraging Rogers and Fido customers to switch to electronic billing through a campaign that planted one tree for every customer who converted to electronic billing. Through Tree Canada, we planted 21,069 trees and contributed to our reduction in billing paper used. In addition to our reduction efforts and to further reduce our environmental footprint, more than 99% of all of the paper we purchased (for marketing, internal use, billing, and magazine publishing) was Forest Stewardship Council (FSC) certified. FSC certification assures customers that the development of our paper was managed under strict conditions to ensure the protection of high-conservationvalue forests, waterways, and wildlife habitat and species.

Our performance trends (in cubic metres)	2017	2016	2015	2014
Total water use	279,147	320,507	314,756	296,417

### Water management

Rogers primarily uses water for employee needs, such as washrooms and kitchens on our premises. In 2017, we used 279,147 cubic metres of water, a 13% decrease from 2016, and a 24% decrease since 2011. We believe that protecting the world's limited freshwater supply through conservation efforts is essential to sustaining our ecosystem. We implement initiatives to minimize our water usage. For example, we have installed high-efficiency water fixtures and appliances and implemented strategies for more water-efficient landscaping.

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### > Environmental responsibility

Community investment

### Spills and releases

Through our EMS, we adhere to all applicable environmental protection legislations in the conduct of our business. The EMS outlines how we mitigate our risk of spills and releases, and how we manage them when they happen. We conduct regular training on how to prevent spills, ensuring that employees understand the potential impact of releases, applicable regulatory requirements, and actions required when a release occurs.

In 2017, Rogers had the following releases and spills, reflecting an increase from 2016 due to aging equipment:

- 3 Level 3 spills, which are reportable to Environment and Climate Change Canada within 24 hours and are greater than 100 kg;
- 34 Level 2 spills, which are reportable spills of 10 to 100 kg; and
- 80 Level 1 spills, which are less than 10 kg and not reportable to Environment and Climate Change Canada.

We review every spill or release, regardless of its size, to determine the root cause and to develop strategies to prevent future releases.



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### Raising awareness and engagement

Engaging our teams on our environmental programs is essential to our success. We want to create a culture where employees have an environmental mindset, to help reduce waste and energy usage and do our part to protect our planet.

We have green teams at our offices in Toronto, Brampton, Kitchener, Mississauga, and Burnaby. These teams are passionate about the environment and want to foster engagement among our broader teams. Our green teams lead a number of events at offices across the country to celebrate key points of the year, including Earth Day, Earth Hour, and Waste Reduction Week. At these events, employees engage with our Environment & Energy Team, our green teams, our suppliers, and non-profit organizations to learn about Rogers environmental programs and how they can help or be green at home. At two of the events, we also encourage employees to bring in used electronics from their home or office space so that they can be recycled through our e-waste recycling partner. This year, Rogers participated in the National WWF Canada Shoreline Cleanup, where 110 employees from eight offices cleaned up 31 km of shorelines across Canada, collecting 728 kg of waste.

In addition, Rogers also invests in sustainable employee transportation to promote alternative transportation methods, including:

- providing secure bike racks at many of our offices and promoting carpooling to our employees through increased signage in the workplace;
- providing an employee discount for Toronto Transit
   Commission passes, providing employees with a more affordable way to use public transportation. In 2017, 7,734 monthly passes were distributed to our employees across the Greater Toronto Area; and
- joining the Metrolinx Smart Commute Workplace
  Program at our office in Brampton, Ontario. This
  initiative provides identifiable "Smart Commute"-only
  parking spaces for non-single-occupancy vehicles. In
  2017, Rogers was awarded the Smart Commute 'Gold'
  Workplace designation, which is given to companies who
  contributed significant resources to reduce the number
  of people who drive alone to work.

In 2017, we avoided over 593,000 km driven and 140 tonnes of  $CO_2e$  in GHG emissions by providing greener commuting options.

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Community investment Economy and society

Community investment



# **Community investment**

We believe there is power in coming together to make a brighter future possible for generations to come.

"Giving back to the communities where we live and work is an important part of who we are."

Joe Natale

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Economy and society

### Highlights this year

# \$64M in cash and in-kind community investments

# Launched Ted Rogers Scholarship Fund

# **1,800** employees volunteered through our Employee Volunteer Program

# Community giving

### Why it's material

We have been a part of Canadian homes and communities for over fifty years. Our 24,500 employees across the country want to be a part of a company that gives back. We have also received so much back from our communities that it is our duty to invest in them.

### Management approach

One of our Strategic Priorities is to be a strong, socially responsible leader in our communities across Canada. We work with our community partners to help engage future leaders in our country.

We follow the benchmarks of corporate citizenship established by committing at least 1% of our net earnings before taxes to charities and non-profit organizations. Our Corporate Donations and Sponsorship Policy ensures that all donations are aligned with our community investment strategy, are properly authorized, and are tracked in order to have a greater impact in our communities. The Rogers Employee Volunteer Program and our Volunteer Policy allow employees to take one paid day off per year to volunteer at the charity of their choice.

# **Total community investment** (in millions of dollars)



Our performance trends (in millions of dollars, except percentages)	2017	2016	2015	2014
Cash donations	7.3	4.3	7.5	10.4
Regulated community investment - cash donations	2.1	2.2	1.8	2.6
Total cash donations	9.4 0	6.5	9.3	13.0
Community investment - in-kind donations	32.6	29.4	27.6	24.6
Regulated community investment - in-kind donations <sup>1</sup>	22.0	26.5	28.7	36.4
Total in-kind donations	54.6 오	55.9	56.3	57.8
Total community investment	64.0 오	62.4	65.6	70.8
Percentage of pre-tax earnings donated to charities and non-profit organizations	3% 오	5%	4%	4%

<sup>1</sup> Equal to the value of operating our Rogers TV community stations, which air local programming that promote local events and charities. It is a condition of license for broadcasting entities and therefore considered regulated community investment.

✿ Independently assured in 2017.

### Corporate community investment

In 2017, Rogers donated \$64 million<sup>•</sup> in cash and in-kind community investments to charities and non-profit organizations, a 3% increase from 2016. Our cash donations increased by 45%. We attribute this increase to our new community investment program, which was launched in 2017. This represented 3%<sup>•</sup> of our income before taxes, and exceeds the recognized giving benchmark of 1%, but is lower than 2016 due to higher pre-tax earnings. In 2017, we launched a new community investment initiative called the <u>Ted Rogers Scholarship Fund</u>. The Fund was created in honour of our founder, Ted Rogers, and is dedicated to helping some of the brightest young leaders across the country succeed in their educational aspirations. We launched the Ted Rogers Scholarship Fund to address key issues facing young Canadians today. Almost half a million Canadians aged 15 to 24 are not in employment, education, or training (OECD, 2015).

Good governance

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### Community investment

### Ted Rogers Scholarship Fund Partners

Big Brothers Big Sisters Boys and Girls Clubs YMCA Children's Aid True Patriot Love Right to Play Toronto Community Housing Jays Care Foundation Power to Be Pflag Qmunity The 519 GRIS Montreal

<u>Click here</u> to see stories about our 2017 Ted Rogers Scholarship Winners

CSR at Rogers Good governance Customer experience Employee experience Environmental responsibili

### Community investmen

Economy and society



In addition, education can help break the cycle of poverty, with post-secondary graduates earning 30% more income than high school graduates (StatsCan, 2012).

The Ted Rogers Scholarship Fund is dedicated to awarding youth scholarships, including employee scholarships and community grants. In 2017, we awarded 163 scholarships through our thirteen community partners, and an additional 144 scholarships to the dependents of our employees. Recipients were chosen based on their community leadership. We also provided community grants to 65 organizations across the country to support educational programming. Grants allocated in 2017 provided support that included:

- a homework help program in Montreal with Alloprof. Alloprof is a charitable organization that provides free homework and lesson support to all elementary, high school, and adult general education students, as well as to parents of students; and
- funding to Actua chapters in British Columbia, Saskatchewan, and Ontario. Actua is an organization that provides programming in Science, Technology, Engineering, and Math for youth.



#### Other community investment

In addition to supporting those programs, we supported multiple community programs and charitable events. Examples include:

- funding the "Ready for School" program at Maple Leaf Sports & Entertainment's Launch Pad for children and youth in the Moss Park Community in Toronto, providing them access to innovative educational programming;
- devoting \$54.6 million<sup>®</sup> to in-kind giving resources in 2017. This includes the value of Public Service Announcement (PSA) air time on our radio and television stations for charities and non-profit organizations to promote their causes or events. Through the airing of PSAs and on-air segments on RogersTV, we promote local charities and community events;
- supporting the Rogers Conn Smythe Sports Celebrities Dinner and Auction in support of Easter Seals Ontario;
- our <u>Jays Care Foundation</u> raised \$9.8 million for programs and facilities that support physical activity, education, and life-skill development among Canadian youth; and
- sponsoring the Rogers Writers' Trust Fiction Prize since 1997, which recognizes Canadian writers for the year's best novel or short-story collection.



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Our performance trends	2017	2016	2015	2014
Employees who volunteered through Rogers Employee Volunteer Program	1,800 오	1,136	787	1,263
Volunteer hours invested by Rogers employees	11,700 오	7,384	5,116	8,210

Independently assured in 2017.

#### Employee giving and volunteerism

In 2017, we had 1,800° employees participate in the Rogers Employee Volunteer Program, a 59% increase from 2016. The program offers employees one paid day off per year to volunteer at an organization that is important to them. We attribute the increase in our participation to expanding our policy beyond allowing employees to volunteer at registered charities, and enabling them to participate at non-profit organizations. We also increased internal promotion of the program and updated our online volunteer portal. In addition, we feel that the inclusion of social responsibility to our Strategic Priorities has been a catalyst for employees to participate in the program.

Examples of employee volunteerism in 2017:

 Rogers is a proud participant in the United Way of Greater Moncton and Southeastern New Brunswick's annual Day of Caring, one of the largest single-day volunteer events in Canada. Over 100 employees spent their day at the Greater Shediac Community Garden and the Shediac Cape Community Garden to help in the gardens, which grow produce for the local foodbank.  Many of our employees volunteered with Jays Care Foundation over the year, participating in baseball diamond makeovers, helping with the Jays Care Rookie League and annual Ladies Jays Food Drive, and selling 50/50 tickets.

#### Employee giving

In 2017, we revamped our employee giving campaign, branding it "Give Together Month", and encouraged employees to give to the charity of their choice. Previously, we held an annual United Way Campaign, raising over \$1 million on an annual basis. In 2017, we continued to partner with United Way, but evolved our campaign to allow employees to donate to any charity of their choice and we matched all employee donations dollar for dollar up to \$1,000 per employee. The campaign raised a total of \$2 million through employee donations, corporate match, and event dollars.

#### Employees who volunteered through Rogers Employee Volunteer Program 1,800



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#### Community investment

## Volunteer story

During September and October, eight teams from our offices across the country spent their volunteer day participating in a Shoreline Cleanup with WWF Canada. With shorelines ranging from ravines and creeks to ocean shores, 110 employees set out to pick up litter and restore their local waterways and habitats. Altogether, the teams cleaned an impressive 31 km of shoreline and collected 728 kg of waste. The cleanups were a great way to collaborate with colleagues outside of the office while reducing our impacts on the planet and local wildlife.







"The uptake by employees to participate in the WWF Canada Shoreline Cleanup events was incredible and I look forward to organizing another cleanup event next year!"

Wayne Proulx Sr. Manager, Environmental Programs

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#### Community investment

Our performance trends (in millions of dollars)	2017	2016	2015	2014
Funding provided to support Canadian film and television production through the Rogers Group of Funds (in millions of dollars)	26.8	28.8	21.4	28.4

#### Supporting Canadian content

We support investment in, and creation of, Canadian content and programming. We do this through the support of the Canada Media Fund, through our <u>Rogers Group of Funds</u> (consisting of Rogers Telefund, Rogers Cable Network Fund, and Rogers Documentary Fund), and through the production of film, television, and radio content by Rogers for our media outlets.

In 2017, we supported 106 productions in English and French with approximately \$26.8 million in funding. This funding helped producers create new and original Canadian content for both film and television.

In addition, we sponsored film and television festivals, including the Vancouver International Film Festival, Banff World Media Festival, and Hot Docs. We also continue to sponsor the Rogers Best Canadian Film Award, one of the richest arts awards in the country. In 2017, the \$100,000 cash prize went to Ashley McKenzie for the film Werewolf.

# **O**ROGERS Group of Funds

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#### Community investment



#### New subscribers for Connected for Success program



# Digital inclusion

#### Why it's material

The Internet is an essential tool that provides access to information, education, and the world around us, yet many Canadians don't have access to it or lack the skills to use it effectively. We're finding ways to bridge that gap. The Rogers Connected for Success program is about bringing more Canadians online by offering reliable low-cost Internet.

#### Management approach

As one of Canada's largest Internet and wireless service providers, we know that we play a key role in giving Canadians access to communications technologies, both through the reach of our networks and affordability.

We define digital inclusion as access, affordability, and literacy.

Our approach to network investments is covered in the Network Leadership and Innovation section of this Report. However, beyond this, we have programs to address affordability as well as literacy.

Our signature program, <u>Connected for Success</u>, offers low-cost broadband Internet to those living in non-profit housing providers, and is managed by our CSR team.

Our performance trends	2017	2016	2015	2014
New subscribers for Connected for Success program	3,758	2,832	4,129	4,204

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## Connected for Success Testimonial

"Rogers Connected For Success has positively impacted many families within London & Middlesex Housing Corporation. Tenants are thankful they are able to connect with family and friends, are able to access school-related materials, book appointments, and just stay current on events that affect them. I truly appreciate the greatly reduced cost of the program and the easy sign-up process. I know that LMHC values our partnership with Rogers..."

#### Linda

Tenant at London and Middlesex Housing Corporation

Good governance Customer experience Employee experience

#### Community investmen

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#### Helping more Canadians get online

In 2017, we had 3,758 new subscribers for the <u>Connected to Success</u> program, a 33% increase from 2016. We attribute this to adding more community housing partners to the program, thereby increasing the number of eligible participants. Since inception, a total of 16,848 households have been a part of the program.

The program brings low-cost high-speed broadband Internet, for \$9.99 per month, to Canadians living in rent-subsidized households within our cable footprint of Eastern and Southwestern Ontario, New Brunswick, and the island of Newfoundland. To date, over 150,000 households are eligible for the program, and we work with 200 community housing partners to deliver the program to their residents.

In addition, we have provided our Connected for Success product at 15 computer labs within Toronto Community Housing (TCH). These computer labs are used every day by TCH residents for different purposes including afterschool and educational programs, career searching, and homework research. We also provided Rogers Ignite Gigabit Internet to 20 Toronto District School Board (TDSB) locations with unlimited data, giving students access to digital programs and learning technologies.



# 16,848

low-income households have benefitted from Connected for Success, a low-cost broadband Internet solution that helps bridge the digital divide, since the program's inception

Economy and society

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# Economy and society

We strive to create positive value for local economies and Canadian society through our business.



### Highlights this year

\$13.7B economic value distributed

\$1.2B in taxes and government payments \$2.5B of sales and payroll taxes collected on behalf of governments **\$1B** 

paid to our shareholders in the form of dividends

# Economic performance

#### Why it's material

As a large Canadian company and employer, we have a responsibility to make a positive impact on our country and economy.

#### Management approach

One of our Strategic Priorities is to drive profitable growth in all the markets we serve. To create profitable growth we focus on the key drivers of Wireless, Cable, and Media, while developing a strong capability in cost management to support investments that will fuel our future.

These investments support our economy directly and indirectly through job creation, taxes paid, network expansion, and enabling and supporting business.

The Board oversees Rogers overall economic performance, while the Finance Committee of the Board reviews matters relating to the Company's investment strategy and debt and equity structure.

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Our performance trends (in millions of dollars)	2017	2016	2015	2014
Direct economic value generated: Revenue	14,143	13,702	13,414	12,850
Economic value distributed: Operating costs	6,385	6,296	6,155	5,631
Employee salaries and benefits and stock-based compensation (excluding payroll taxes)	1,987	1,936	1,839	1,805
Shareholders and providers of capital:				
Dividends paid <sup>1</sup>	988	988	977	930
Interest paid <sup>1</sup>	735	756	771	778
Taxes paid and other government payments <sup>1</sup>	1,185	998	881	1,140
Capital expenditures	2,436	2,352	2,440	2,366
Community investments	9	7	9	13
Total economic value distributed	13,725 오	13,333	13,072	12,663

<sup>1</sup> Certain items are presented on a cash basis because it is more relevant to the stakeholders.

• Independently assured in 2017.

CSR at Rogers

Good governance

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#### Economic value generated and distributed

Our economic value generated rose by 3% to \$14,143 million in 2017. Total economic value distributed increased to \$13,725 million<sup>®</sup> in 2017, up 3% from 2016. Some of the key elements to our economic value include:

- continued delivery of solid returns to shareholders in 2017. We paid \$988 million in cash dividends, consistent with the 2016 fiscal year;
- \$1,987 million in salaries and benefits paid in 2017, with benefits including health benefits, a company-matched share purchase plan, and pension payments;
- Taxes and other government payments totalled \$1,185 million, an increase of \$187 million from the prior year; and
- invested \$2,436 million<sup>®</sup> in capital expenditures, primarily in our networks and data centres.

#### Taxes paid and other government payments

As outlined in the table on the following page, the total cost to Rogers of taxes and other government payments in 2017 was \$1,185 million. In addition, we collected and remitted \$1,876 million in sales taxes on our products and services and \$635 million in employee payroll taxes.

Cash income tax payments totalled \$475 million in 2017. Cash income tax payments differ from the tax expense shown on the financial statements for various reasons, including the required timing of payments. The primary reason our cash income tax is lower than our income tax expense is a result of the significant capital investment we continue to make in our networks and data centres throughout Canada. Similar to tax systems in various other countries, Canadian tax laws permit investments in such productivity-enhancing assets to be deducted for tax purposes more quickly than they are depreciated for financial statement purposes.

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# Total taxes paid and other government payments



- Broadcasting, spectrum, and other regulatory fees 44%
- Income taxes 40%
- Payroll taxes 11%
- Property, business, non-recoverable sales taxes, and customs duties 5%

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

Taxes paid and other government payments (in millions of dollars)	Income taxes	Sales taxes	Payroll B taxes	Broadcasting, spectrum, and other regulatory fees <sup>1</sup>	Property and business taxes	Total
Canadian Federal Government	266	-	81	521	8	876
British Columbia	14	3	1	-	4	22
Alberta	21	-	-	-	6	27
Saskatchewan	1	-	-	-	-	1
Manitoba	3	1	-	-	-	4
Ontario	143	4	36	-	22	205
Quebec	18	1	8	-	8	35
Atlantic Provinces	9	-	1	-	5	15
Total	475 오	9	127	521	53	1,185

 $^{-1}$  Includes an allocation of \$266 million relating to the \$1 billion, \$3 billion, and \$24 million

we paid for the acquisition of spectrum licences in 2008, 2014, and 2015, respectively.

Independently assured in 2017.



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

- various taxes on the salaries and wages (payroll taxes) to approximately 24,500 employees;
- property and business taxes;
- unrecoverable sales taxes and customs duties; and
- broadcast, spectrum, and other regulatory fees.

#### Indirect and induced economic impacts

Our indirect and induced economic impacts include the activity of Rogers suppliers and their sub-suppliers, as well as the impacts resulting from consumer spending by Rogers employees and those businesses stimulated by our direct and indirect expenditures.

We performed our most recent calculation of direct, indirect, and induced economic impacts based on 2015 data and only related to impacts occurring in Canada. At the time, our total economic footprint in Canada was 71,895 jobs, \$18.8 billion in total economic output, and \$9.5 billion to Canada's gross domestic product.

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#### Supporting small business

Our contribution to the economy is not just about the numbers. It is also shaped by how we are helping the small businesses in each of our communities.

We want to create positive value for Canadian small businesses. In 2017, we hosted over 100 events in our <u>Small Business Centres</u> across Canada. For these events, we brought in guest speakers to share their insights on topics important to small businesses like developing social media campaigns and productivity advice. These events also provided an opportunity for small business owners to network with peers in their area.

We look at small businesses as partners and look for ways to put them first in all that we do. In the spirit of this, we ran two national contests in 2017. Through the Canada 150 contest, we asked small and medium businesses to submit their success stories. We selected four winners from across the country to share their story on our Rogers Business Forum and Social Media channels to help promote their

## Small Business Centres Testimonial

"The Small Business Centres are providing a valuable service that nobody else is doing for mainstream entrepreneurs - it's giving them advice [and] bringing it to their communities."

**Lyndon Johnson** Founder COMMS.BAR

brand and we awarded them a gift card prize. We also ran our Cloud Contest, in which Canadian businesses shared their unique software challenges and had a chance to win business-insight sessions where they could sit down and learn from leaders at key technology partners.

In 2018, we'll be continuing our Advisory Panels bringing industry leaders from various fields together to better understand where we can improve, what support and tools small businesses require in the future, and how best to approach different business communities. We will also continue our community engagement and support of organizations such as the Association of Chinese Canadian Entrepreneurs, Start Up Canada, and Digital Main Street.

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# Procurement and supplier management

#### Why it's material

Effectively managing our supply chain is key to being a sustainable business. Our stakeholders look to us to use our influence as a large purchaser to drive socially responsible practices in our supply chain.

#### Management approach

We have strong, sound procurement processes and demand that our suppliers adhere to our <u>Supplier Code of Conduct</u>. The Code sets our expectations of our suppliers in terms of ethical, social, labour, health and safety, and environmental behaviours.

Through our membership in the Joint Audit Cooperation (JAC), we share audit findings with a group of twelve other global telecom companies, allowing us to better manage sustainability among our suppliers.

Our Supplier Council, composed of Rogers executives, manages our supplier governance. Our Supplier Council and selection of suppliers is overseen by our Senior Vice President, Procurement & Supplier Management.

Our performance trends	2017	2016	2015	2014
Total suppliers	10,113	11,831	15,015	15,623
Percentage of our top 200 suppliers who are Canadian or have significant operations in Canada <sup>1</sup>	80%	76%	67%	n/a
Percentage of competitive bid processes where the supplier agreed to our Supplier Code of Conduct	100%	100%	100%	100%
Number of responses to our Ethical Procurement Questionnaire <sup>2</sup>	26	85	n/a	n/a
Number of suppliers audited by Rogers <sup>3</sup>	5	5	n/a	n/a
Number of suppliers audited through the JAC <sup>3</sup>	89	69	n/a	n/a
Number of workers impacted by Rogers supplier audits <sup>4</sup>	9,093	n/a	n/a	n/a
Number of workers impacted by JAC <sup>4</sup>	94,815	n/a	n/a	n/a

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<sup>1</sup> Indicator introduced in 2015.

<sup>2</sup> New methodology introduced in 2017.

<sup>3</sup> Indicator introduced in 2016.

<sup>4</sup> Indicator introduced in 2017.

#### Procurement and supply chain management

We work with 10,113 suppliers, both in Canada and internationally. We do not have a specific policy to purchase only from Canada, as many of the products that we sell can only be sourced from international companies. However, of our top 200 suppliers, 80% are Canadian or have substantial operations in Canada.

We procure goods and services to operate our business effectively and serve our customers. The types of products we procure for our business include the following:

#### For our communications business

- Network and IT infrastructure equipment and services
- Cable, Internet, and wireless hardware for our customers
- Support services and software for our call centre operations

#### For our media business

- Broadcasting equipment
- Paper for publishing consumer/business magazines

#### For enterprise-wide, corporate, and internal business

- Marketing services
- Human resources services and benefits administration
- Professional services

Our Procurement and Supplier Management team uses industry-accepted practices to select suppliers and provide a fair and transparent competitive bid process, including requests for quotations, requests for proposals, tenders, best and final offers, reverse auctions, and requests for information.

#### Supplier management

In 2017, we established a Supplier Council, chaired by the Senior Vice President, Procurement & Supplier Management. The Supplier Council is comprised of Rogers executives with the mandate of providing a unified supplier management strategy across the organization, including supplier selection, assessing supplier risk, and accountability. The Supplier Council meets on a quarterly basis.

The Supplier Council has two subcommittees, one addressing the Supplier Performance Community and one addressing Operational Supplier Management. The Supplier Performance Community subcommittee reviews service performance of suppliers and evaluate improvement initiatives, while the Operational Supplier Management subcommittee oversees day-to-day supplier management activities.

In 2017, we merged our <u>Rogers Business Conduct</u> <u>Policy</u> and Supplier Code of Conduct to create one comprehensive policy. The new policy requires our suppliers to adhere to certain labour, social, health and safety, environmental, management, and conflict of interest standards. All of our suppliers must adhere to this policy. We also have a formal grievance process that allows potential suppliers to appeal a contract award decision.

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We segment our suppliers into two categories: approved vendors and restricted vendors. This allows Rogers to centralize our supplier relationship management, hold our supplier base more accountable, and coordinate and streamline our action throughout the supplier lifecycle. Suppliers who are not meeting our requirements are placed on our identified "watch list" as an interim step pending corrective action. In the case where there is an unacceptable risk or a supplier has violated our <u>Supplier</u>. <u>Code of Conduct</u>, we place the supplier on the restricted vendor list and cease doing business with the supplier.

#### Joint Audit Cooperation

Through our membership of the JAC - a group of global telecom companies that share common suppliers - we conducted five on-site supplier audits in 2017, including two Tier 1 suppliers, two Tier 2 suppliers, and one Tier 3 supplier. We also gained access to an additional 84 audits conducted by our peers. The suppliers we audited collectively employ 9,093 workers in emerging markets such as India, China, and Mexico. The number of workers impacted by all JAC audits in 2017 was 94,815.

Each member of JAC monitors corrective action plans based on audit findings. In 2017, Rogers identified 41 nonconformance activities from our audits and were able to close 80% of the activities through mentoring and coaching with our suppliers. We are managing the remaining corrective action plans for closure in 2018. Rogers also played an integral role in updating the JAC Supply Chain Sustainability Guidelines by taking the lead in revising the Ethics and Anti-Corruption sections of this document. In 2018, JAC aims to audit over 100 suppliers with Rogers auditing a minimum of five of those suppliers and manufacturing facilities. There will be greater focus applied to monitoring Tier 2 and Tier 3 suppliers, and with our JAC partners we will be conducting on-site surveys of factory workers using mobile technology to gain greater knowledge into the working conditions at the factory. This will allow Rogers and other JAC members to better identify work practices its suppliers must employ to ensure a safe working environment for their labour force.

**89** Supplier audits through our JAC membership, impacting **94,815 workers** 

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#### Ethical procurement framework

In 2017, Rogers enhanced our Ethical Procurement Practices (EPP) survey and focused on sending it to a specific segment of our supplier population rather than our top 200 suppliers. Our revised EPP survey focuses on suppliers for our communications business, including those that provide infrastructure and equipment for cable, wireless, or broadcasting services, as well as fleet and transport services. The EPP survey evaluates the supplier's policies, actions, and results and progress, and includes questions in the areas of environmental management, pollution, use of resources, human rights, diversity, labour practices, health and safety, ethics, privacy, and data protection.

We released the survey to over 50 suppliers and received responses from 52% of them. Twenty-three corrective action plans were identified by the survey and we were able to effectively close 65%. Our standard EPP survey continues to form part of our standard request process and competitive bid templates, which require a mandatory response and form part of the supplier's evaluated proposal. In 2017, we had 172 sourcing events, all of which contained the EPP survey. Conflict minerals have been a cause for concern among stakeholders over the past number of years. Our <u>Supplier Code of Conduct</u> has a section on conflict minerals, requiring suppliers to evaluate the origin or source of their materials and to verify that they were not mined from a conflict zone. All of our handset suppliers have publicly available policies or statements on conflict minerals. If conflict minerals are found in their materials, the supplier must disclose this to us immediately and take immediate steps to implement controls to avoid this in the future.

#### Supplier diversity

In 2017, Rogers participated in the Supplier Diversity Alliance Canada (SDAC) Connect Collaborate Succeed Forum to share information about our procurement processes, while gathering information on how to develop and implement a meaningful supplier diversity program. In 2018, we aim to launch a supplier diversity program to provide certified diverse suppliers an equal market access opportunity to respond to our competitive bid opportunities.

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We invite your feedback and questions about this report. Please e-mail us at <u>csr@rci.rogers.com</u>

Discover more about our corporate social responsibility at: www.rogers.com/csr

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