



Address to the Annual General Meeting

Brad Shaw, Executive Chair & CEO, Shaw Communications Inc.

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Calgary, Alberta

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Twenty twenty-one was another challenging year for our customers and our company as the global pandemic continued to impact every aspect of our lives.

But like so many times before, our people rose to the occasion, and delivered for our customers, our shareholders and the communities we serve.

Our 2021 performance demonstrates that — despite significant uncertainty — our team kept a sharp focus on our near-term priorities.

They delivered consolidated adjusted EBITDA growth of 4.6 per cent and free cash flow of approximately \$960 million, more than 28 per cent higher than last year.

During 2021, the ongoing context of the pandemic was compounded by pressure on our infrastructure as a result of devastation from forest fires — then flooding — in British Columbia, and global supply chain issues that threatened the availability of equipment while demand for connectivity grew at an exponential pace.

Despite these obstacles, our teams remained focused on our near-term priorities, balancing subscriber growth and profitability while investing in our networks and delivering a better customer experience.

Our wireless business continued to grow as customers can now purchase Shaw Mobile and Freedom Mobile services in 850 locations across Canada.

With greater distribution and enhanced digital capabilities, we welcomed almost 300,000 new wireless customers in 2021. And thousands of Shaw Mobile customers took advantage of tremendous savings available by bundling our wireless and internet offerings.

During the year, we established ourselves as the leader in gig-speed internet in Western Canada. The demand on our Fibre+ Network remained strong as Canadians continued to work and play at home. And, thanks to our teams, we delivered faster speeds, better value, and outstanding customer service.

Shaw Business customers continue to be vulnerable to COVID-19 related restrictions, including mandated business closures, capacity restrictions or further social distancing measures. Yet, despite these challenges, our business team provided them with flexible solutions and delivered revenue growth of 3 per cent in 2021.

Our results of the past year reflect the best of our people, and an organization that for decades has been nurtured around my father's vision of providing choice to our customers.

We've been successful for more than 50 years because we have always kept the needs of our customers at the forefront of our actions. We have taken well-informed risks and made substantial investments for decades so we can meet their needs. And we have stayed focused on the future and embraced the change it brings.

This approach has transformed Shaw from a local cable company into a leading and innovative connectivity provider that ensures Western Canadians have the latest technologies to stay connected wherever they are.

We are proud that the investments we've made to connect our customers have helped transform their lives and our economy.

We have given our customers unparalleled access to the information they need and helped change the way they do business and communicate with others — anytime, anywhere around the world.

And yet, it is more obvious than ever that Canada's future depends on even more expansive, world-leading, and truly competitive networks that deliver robust connectivity services to Canadians.

So, as we look to the next chapter of our company's future, it's clear to me, my family, and our Board that we need greater scale if we want to fulfill JR's ambition of continuing to give consumers meaningful choice and flawless connectivity experiences.

As a result, we made the bold and transformative decision in March 2021 to begin a new era in our company's history, one where we are excited to join forces with Rogers Communications.

Together, Rogers and Shaw can build a new national company that will do more for the future prosperity of Canada than either organization could accomplish on its own.

By coming together, Rogers and Shaw will provide unequivocal benefits to our country in five critical ways:

- First, the new company will create a national next-generation network that will offer robust and effective competition over the long-term against the joint network run by our telco competitors.
- Second, the resources and network of the combined company will help accelerate our country's digital economy and stimulate greater economic diversification in Western Canada.
- Third, the new company will quickly move to bridge Canada's digital divide. It will invest \$1 billion to connect more rural, remote and indigenous communities, and expand Rogers' industry-leading Connected For Success program to deliver low-cost internet to seniors and lower-income Canadians in Western Canada.
- Fourth, a combined Rogers and Shaw will create a new National Centre of Technology and Engineering Excellence in Calgary to nurture the creation of new products and applications that will support greater economic diversification in Western Canada.
- And, finally, the new company will maintain Calgary as home for its Western Canadian headquarters.

Since we first announced our agreement with Rogers in March last year, and secured overwhelming shareholder approval in May, we have been working with three key regulatory bodies regarding the approval process, including the CRTC, the Ministry of Industry, Science and Economic Development, and the Competition Bureau.

All parties have undertaken to thoroughly examine the merits of our combination, and we are confident that joining Shaw and Rogers is in the best interests of all Canadians as it creates a new rivalry against our telco competitors that wouldn't otherwise exist.

Without Rogers and Shaw combining, the other national telcos will have a significant competitive advantage because of their combined spectrum and networks. But a Rogers and Shaw combination will create a truly competitive choice for business, government, and consumers as products and services shift to next generation networks.

A combined Rogers and Shaw can give Canadians a true alternative 5G national network that will create more intense competition that permits all Canadians to unlock the social and economic growth opportunities expected from the digital economy.

The combined, stronger company is committed to investing \$2.5 billion to accelerate 5G deployment across Western Canada, driving growth and strengthening the region's innovation sector.

But 5G is only the next step in our never-ending journey of ingenuity and creativity.

Technology is rapidly evolving and driving competition, investment, and innovation across our entire economy.

This is why it is so important that we combine with Rogers — to create the ongoing scale to invest and build next generation networks that will meet Canada's highly dynamic demands over the coming decades.

To be sure, launching next-gen connectivity carries with it very high stakes for the future social and economic prosperity of Canada.

5G will be foundational to the success of Canada's digital economy, which, according to PWC, is expected to boost GDP by \$94 billion annually by 2035 in a variety of critical sectors from manufacturing to mining to agriculture.

According to a study done for the Canadian Wireless Telecommunications Association, next-gen networks will power industries that will create hundreds of thousands of critically important, high-quality jobs throughout Canada as we continue our post-pandemic economic recovery.

Indeed, the benefits of next generation networks will touch the lives of every Canadian.

The Internet of Things, Artificial Intelligence, Industry 4.0 and the Energy Transition are coming together in an ecosystem of Smart Cities, Smart Manufacturing, Smart Transportation, Smart Energy, and Smart Agriculture, all of which depend on competitive high-speed networks. But without network connections — without companies like a combined Rogers and Shaw to continually invest and build these networks — none of these benefits will materialize.

There is no denying that Canada is home to some of the world's smartest and most ambitious entrepreneurs, but they need next generation networks to realize their potential and truly make our country an innovation hub of the future.

Canada needs companies, like a combined Rogers and Shaw, to invest with scale in networks that link together sensors, objects, information systems, data, and people.

Next generation networks can also drive change in the lives of millions of people who choose to live outside of our urban centres.

The pandemic has highlighted the essential nature of robust and reliable broadband, but it has also exposed the unacceptable rural-urban digital divide in our country.

For nearly two years, people have been working from home, learning from their kitchen tables, and starting businesses from their basements. And they've done so because of technology that enables them to work from anywhere – anywhere there's a strong network.

A disproportionate number of rural, remote, and Indigenous communities are currently cut-off from the educational, economic, health, and social benefits of connectivity. People in these communities are being denied full participation in the social and economic opportunities available in areas served by solid networks.

Combining the resources of Rogers and Shaw is key to the efficient and faster deployment of broadband connectivity to rural and Indigenous communities, including through fixed wireless access technologies and incremental fibre builds.

Specifically, Rogers has made the commitment to dedicate \$1 billion in new spending to connect rural and Indigenous communities across Western Canada, including bringing competition and choice to more communities that are currently served only by a single service provider, the incumbent telco.

Ladies and Gentlemen, if I have learned anything from a lifetime of being in this business, the telecommunications sector is exceptionally dynamic, and its limits to how it contributes to our customers' lives are boundless.

The next era of telecommunications competition won't be about the number of competitors, but the type of services that providers can deliver.

And we are fully committed to ensuring that a joint Rogers-Shaw will bring to market the services and technologies that families, individuals, businesses, and governments across Canada will need in the future.

As Canada embraces the digital transformation of our economy, the future success of our innovators, our entrepreneurs, and our communities will be unlocked by robust and reliable networks.

Our connected economy needs powerful next generation networks that can provide a seamless, ultra-fast transfer of vast amounts of data, paving the way for new applications, new innovations, and not-yet imagined solutions to drive diversified growth.

This is the world we are excited about: one where next generation connectivity will enable so much more than we can even think possible today — a world where a combined Rogers and Shaw will be a true national competitor to help drive Canada's prosperity for decades to come.

Friends, my family and I are well aware that this is our last annual meeting — and in many ways this may seem like the end of a remarkable journey begun more than 50 years ago by JR and my mother, Carol.

But in reality, this is a new beginning. We are very excited to see Shaw joining together with the Rogers organization — one that we have respected and admired for decades.

The industry is changing rapidly and the combined Rogers-Shaw entity will have the scale, assets, and capabilities needed to deliver Canada's future connectivity needs.

I want to close today by thanking you, our fellow shareholders, for your ongoing confidence in our vision and ability to deliver long-term value.

I am also grateful:

- To our Board of Directors for their wisdom, insight and candour;
- To our management team for their professionalism and industry-leading knowledge;
- To our millions of customers across Canada who rely on us to provide their homes and businesses with leading connectivity services every day;
- And to our 9,400 employees for continuing to serve our customers to the highest standards.

Finally, I want to thank my family for their love and incredible support during a landmark year for our company.

Thank you, everyone, again for being with us today.

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