

Progress report on fulfilment of Videotron Ltd.'s undertakings

This report describes the status of the nine undertakings made by Videotron Ltd. (“**Videotron**”) when Freedom Mobile Inc. (“**Freedom**”) was acquired. Under the terms of the agreement, Videotron committed to maintaining plan pricing, promoting competition, extending its business plan, offering new plans and more. This report covers the period from the closing date of the acquisition, i.e. April 3, 2023, to the filing of this report.

1. Maintain plan pricing and add data

Undertaking: Videotron commits to maintain the prices of the plans of current Freedom customers in the Markets for a period of 5 years after closing and to increase the local data cap of each existing plan by 10%.

Status: Undertaking **fulfilled**

- The prices of plans held by Freedom’s existing customers have been maintained. In May and June 2023, Freedom announced a Mobility Price Freeze Guarantee that applies to all current and future customers for as long as they keep their plan.
- On May 1, 2023, the local data cap on each plan was increased by 10%, at no additional charge.

2. Promote competition and fight the national carriers

Undertaking: Promote competition in the Markets and compete aggressively with the national mobile wireless service providers in order to offer competitive and affordable pricing.

Status: Undertaking **fulfilled**

- Following its acquisition in April 2023, Freedom reshaped Canada’s wireless market. By pursuing a strategy that revolves around increasing competition and offering quality products and services at an affordable price, Freedom disrupted the market in Ontario, Alberta and British Columbia with a new and enhanced customer experience.
- Greater competition has led to a dramatic drop in prices. According to Statistics Canada’s Consumer Price Index (CPI), the price of wireless services fell by 26.6% in the year following the acquisition of Freedom, i.e. between April 2023 and April 2024.
- All these changes are the result of increased competition in the marketplace, bringing innovation and, most importantly, cost savings for Canadians.

3. Extend the business plan and reflect lower prices

Undertaking: Extend the business plan in the Markets to reflect the lower pricing achieved in the Québec market.

Status: Undertaking fulfilled

- Since April 2023, we have extended our business plan in the Markets by taking the following actions:
 - **May 2023:**
 - Mobility Price Freeze Guarantee for Freedom customers for as long as they keep their plan.
 - 10% increase in the local data limit on the plans of all Freedom customers, at no additional charge.
 - Launch of Freedom’s first-ever Canada-wide mobile plan including U.S. roaming at an unprecedented price: 40 GB for \$50/month.
 - **July 2023:**
 - Launch by Freedom of the most affordable 4G and 5G nationwide plans ever seen in Canada.
 - Announcement of access to Freedom’s 5G network for over 12 million Canadians in the Toronto, Calgary, Edmonton and Vancouver metropolitan areas and other cities in Ontario, British Columbia and Alberta.
 - Upgrade of existing Freedom customers’ plans to include nationwide data across Canada, at no additional charge.
 - **October 2023:**
 - Announcement of the launch of our Mobile Virtual Network Operator service and the expansion of the service area of our Videotron, Fizz and Freedom brands.
 - **November 2023:**
 - Launch by Freedom of Roam Beyond, a groundbreaking plan for Canada that lets travelers stay connected in a large number of international destinations (initially 73, now 92).
 - Access to Freedom’s 5G network for all customers with a plan costing \$39/month or more, at no additional charge.
 - Announcement of a \$299 million investment in the acquisition by Videotron of 305 blocks of spectrum in the 3800 MHz band, which is essential for 5G. As further evidence of our commitment to be a national player, approximately 61% of the acquired blocks of wireless spectrum are located outside Québec, mainly in southern Ontario, Alberta, British Columbia and Manitoba.
 - **May 2024:**
 - Launch of Freedom’s new residential Internet and television services in Ontario.

- Launch of Freedom's mobile services in Manitoba, accompanied by the opening of several retail outlets in Winnipeg.
- **June 2024:**
 - Launch by Freedom of one of the most affordable plans in the country: 50 GB for \$34/month, including nationwide roaming in Canada and the U.S.

4. Harmonize mobile plan prices

Undertaking: Ensure that the regular prices of the mobile plans offered by Freedom are similar to the prices charged by Videotron for comparable plans offered in Québec.

Status: Undertaking **fulfilled**

- Freedom's plans are not only priced similarly to Videotron's but are actually offered at lower prices for more data:
 - Freedom currently offers the following plans: 50 GB for \$39/month, 75 GB for \$45/month and 100 GB for \$50/month.
 - Videotron currently offers the following plans: 45 GB for \$45/month, 60 GB for \$50/month and 100 GB for \$55/month.

5. Extend service to Manitoba

Undertaking: Extend services to Manitoba within 3 years after the closing by way of an MVNO agreement, a roaming agreement or expansion of our own network, with prices similar to those in Québec.

Status: Undertaking **fulfilled**

- Our Fizz brand began rolling out its services in Winnipeg in October 2023, followed by an official launch on April 10, 2024.
- For its part, Freedom launched its mobile services in Manitoba on May 23, 2024, accompanied by the opening of several retail outlets in Winnipeg.
- The plans offered by both Fizz and Freedom in Manitoba are clearly comparable to those offered in Québec:
 - Freedom currently offers the following affordable plans in Manitoba: 1 GB for \$19/month, 4 GB for \$24/month and a promotional 10 GB plan for \$14.50/month.
 - Fizz currently offers a 10 GB plan in Manitoba for \$23/month.
 - Videotron currently offers the following comparable plans in Québec: 9 GB for \$39/month and 25 GB for \$40/month.
 - Fizz currently offers the following comparable plans in Québec: 1 GB for \$25/month, 3 GB for \$26/month and 20 GB for \$27/month.

6. Preserve jobs

Undertaking: Maintain direct and indirect skilled jobs at equivalent levels.

Status: Undertaking **fulfilled**

- Freedom's teams were integrated into Quebecor's workforce and employment levels have since been basically maintained.

7. New non-5G plans

Undertaking: Offer new non-5G plans with nationwide roaming for at least 20% less than the Benchmark Plans.

Status: Undertaking **fulfilled**

- New non-5G plans with nationwide roaming at least 20% below the Benchmark Plans have been introduced:
 - On May 25, 2023, Freedom launched its first Canada-wide plan with U.S. roaming: 40 GB for \$50/month. Comparable Benchmark Plans were almost double the price of equivalent Freedom data plans (Bell: Ultimate 45 plan with 45 GB for \$95/month; Telus: 5G+ Unlimited 50 with 50 GB for \$95/month; Rogers: Infinite Extra plan with 40 GB for \$95/month).
 - On July 27, 2023, Freedom launched the following four new nationwide 4G plans:
 - \$19 4G LTE | 250 MB of data in Canada, with unlimited talk and text;
 - \$24 4G LTE | 1 GB of data in Canada, with unlimited talk and text;
 - \$29 4G LTE | 3 GB of data in Canada, with unlimited talk and text;
 - \$39 4G LTE | 20 GB of data in Canada, with unlimited talk and text.
 - Comparable Benchmark Plans were more than double the price of Freedom's 20 GB plan at \$39/month (Bell: Essential plan with 25 GB for \$85/month; Telus: 5G Unlimited 25 with 25 GB for \$85/month; Rogers: Infinite Essential with 25 GB for \$85/month).

8. 5G plans

Undertaking: Offer 5G plans with nationwide roaming for at least 20% less than the Benchmark Plans no later than the second year following the closing.

Status: Undertaking **fulfilled**

- New 5G plans with nationwide roaming at least 20% below the Benchmark Plans have been introduced:
 - On July 27, 2023, Freedom launched the following three new nationwide 5G plans:
 - \$45 5G | 30 GB of data in Canada, with unlimited talk and text;
 - \$50 5G | 40 GB of data in Canada and the U.S., with unlimited talk and text;
 - \$65 5G | 50 GB of data in Canada, the U.S. and Mexico, with unlimited talk and text.
 - In addition, Freedom currently offers a \$50 5G | 100 GB Canada/U.S. data plan, with unlimited talk and text.
 - Comparable Benchmark Plans were almost double the price of Freedom plans with similar data (Bell: Essential plan with 25 GB for \$85/month, Ultimate 45 with 45 GB for \$95/month, Ultimate 60 with 60 GB for \$105/month and Ultimate 100 with 100 GB for \$125/month; Telus: 5G Unlimited 25 with 25 GB for \$85/month, 5G+ Unlimited 50 with 50 GB for \$95/month, 5G+ Unlimited 60 with 60 GB for \$105/month and 5G+ Unlimited 100 with 100 GB for \$125/month; Rogers: Infinite Essential with 25 GB for \$85/month, Infinite Extra with 40 GB for \$95/month, Infinite Advanced with 60 GB for \$105/month and Infinite Premium with 100 GB for \$125/month).

9. Investment and roll-out strategies

Undertaking: Implement the necessary investment and roll-out strategies to lower prices for wireless services.

Status: Undertaking **fulfilled**

- Thanks to substantial investments in facilities and technology, Freedom's wireless plans are now supported by a 4G network that reaches 24 million Canadians and a 5G network that reaches 13 million Canadians.
- In addition, as a result of our expansion via our Mobile Virtual Network Operator service, Videotron, Fizz and Freedom now reach a combined total of nearly 32 million Canadians, nearly 80% of Canada's population.
- In Innovation, Science and Economic Development Canada's spectrum auction in November 2023, we spent \$299 million to acquire 305 blocks of spectrum in the 3800 MHz band, mostly outside Québec—in Southern Ontario, Alberta, British Columbia and Manitoba.



- This acquisition brought Quebecor's total investment in the 3500 and 3800 MHz bands, which are critical to the deployment of 5G technology, to over \$1.1 billion. This spectrum portfolio will enable us to continue increasing the capacity of our facilities while further enhancing the user experience across Canada with faster download speeds and reduced latency.