



2013 CORPORATE RESPONSIBILITY REPORT



Members of the Blue Bell Bullets Revue help sell war savings stamps and certificates. Here, Marguerite Runciman places stamps in purchaser's folder.

We're the same company ...

Clara's Big Ride



Clara Hughes is calling on you to support mental health in your community.

As part of her Big Ride across Canada, Clara Hughes was welcomed by The Take a Hike Youth at Risk Foundation in Maple Ridge, BC.

A group of approximately 15 people, including Clara Hughes and her supporters, are posing for a group photo in a forest setting. Clara Hughes is in the center, wearing a blue and white cycling jersey and a black cap, holding a medal. She is surrounded by people of various ages, some holding medals and others holding a blue and white cycling jersey. A woman on the right is holding a young child in a blue jacket. The background is a lush green forest with tall trees.

... just totally different

2013 SUSTAINABILITY AND CORPORATE RESPONSIBILITY PERFORMANCE

AT A GLANCE

Bell Let's Talk commitment to mental health increased to

\$67.5M

Made largest ever corporate contribution to Kids Help Phone

\$2.5M

\$3B invested to deploy broadband networks

\$3B

Reduced the time between Internet service ordering and install by

75%

On time for service appointments

98%

Fibe TV footprint reached more than 4.3M households

4.3M

Twenty five secure, broadband-connected hosting centres in key markets

25

More than 4,000 Wi-Fi locations, including our partners Indigo, McDonald's and Tim Hortons

4,000+

Canada's first telecom signatory to the United Nations Global Compact (UNGC)

1st

Named one of Canada's Top 50 Most Responsible Companies in Maclean's – Sustainability 2013 Ranking

Top 50

Only Canadian telecom to earn a top spot in the CDP 2013 Climate Disclosure Leadership Index

1st in Canada

Total of 42 buildings certified BOMA BEST

42

Maintained ISO 14001 certification for Environmental Management System for 5th straight year

5th year

39.1% of bills produced by Bell were electronic, 9.6 percentage points over 2012

39.1%

Recovered 194,955 mobile phones for a total of more than 1.4M phones since 2003

194,955

Named one of Montréal's Top Employers for 2014 by Mediacorp

2nd year in a row

81% of team members said they are proud to work for Bell

81%

Invested \$17.9M in employee training

\$17.9M

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Cette publication
est également disponible
en français :

RAPPORT 2013 SUR
LA RESPONSABILITÉ
D'ENTREPRISE DE
BELL CANADA

ABOUT THIS REPORT

This report, together with additional information available online, summarizes our 2013 sustainability and corporate responsibility (CR) performance.

Bell reports based on the Global Reporting Initiative (GRI) in accordance with the GRI fourth generation of guidelines (G4) at a core level and based on the United Nations Global Compact (UNGC) principles. This report describes actions we have taken to implement these guidelines and principles, and serves as our Communication on Progress (COP), as required for all companies that endorse the UNGC.

FORMAT

As part of our commitment to reduce our carbon footprint, since 2007 we have produced our annual Corporate responsibility report as a PDF only. It is designed to be easily read on a standard computer screen and most screen readers used by the visually impaired. A two-page highlight document is also available in PDF.

REPORT BOUNDARIES

This report covers the period from January 1, 2013 to December 31, 2013. Unless otherwise stated, data is valid as at December 31, 2013. This report contains data relating to the Bell Canada group of companies excluding, unless specified otherwise, Bell Aliant Inc. and its subsidiaries (referred to, collectively, in this report as “we”, “us”, “our”, “company”, “Bell” or “Bell Canada”). Data relating to Bell Aliant Inc. and its subsidiaries (referred to, collectively, in this report as “Bell Aliant”) is available at bellaliant.ca. This report also includes Bell Nexxia Corporation (“BCE Nexxia”).¹

CONTENT

This report focuses mainly on the corporate responsibility issues that are of greatest importance to our stakeholders and that have a major influence on our business success. The [responsibility section of our website](#) presents general information on our sustainability programs and provides access to specific policies and includes an index that points readers toward relevant GRI indicators and UNGC principles.

DATA COLLECTION AND VALIDATION

Information in this report was supplied by various subject matter experts (SMEs) within the company. Our Corporate Responsibility and Environment group coordinated the collection and validation of all data. SMEs supplied and verified data, and documented their sources of information and how results were obtained.

As indicated in the text, we differentiate between exact figures and estimates in our reporting. All data is in international units.

¹ BCE Nexxia represents 0.5% of BCE's business. BCE Nexxia is based out of Illinois, USA. For more information visit BCE Nexxia's [website](#)

CAUTION CONCERNING FORWARD-LOOKING STATEMENTS

Certain statements made in this report, including, but not limited to, statements relating to our business outlook, objectives, plans and strategic priorities, including, in particular, our 2014 key corporate responsibility and sustainability objectives, our networks deployment plans, and other statements that are not historical facts, are forward-looking. Forward-looking statements are typically identified by the words *assumption*, *goal*, *guidance*, *objective*, *outlook*, *project*, *strategy*, *target* and other similar expressions or future or conditional verbs such as *aim*, *anticipate*, *believe*, *could*, *expect*, *intend*, *may*, *plan*, *seek*, *should*, *strive* and *will*. All such forward-looking statements are made pursuant to the ‘safe harbour’ provisions of applicable Canadian securities laws and of the United States Private Securities Litigation Reform Act of 1995.

Forward-looking statements, by their very nature, are subject to inherent risks and uncertainties and are based on several assumptions, both general and specific, which give rise to the possibility that actual results or events could differ materially from our expectations expressed in or implied by such forward-looking statements and that our business outlook, objectives, plans and strategic priorities may not be achieved. As a result, we cannot guarantee that any forward-looking statement will materialize and we caution you against relying on any of these forward-looking statements. Refer to BCE's 2013 Annual MD&A dated March 6, 2014 (included in the BCE 2013 Annual Report), BCE's 2014 First Quarter MD&A dated May 5, 2014 and BCE's news release dated May 6, 2014 announcing its 2014 first quarter results, filed by BCE with the Canadian provincial securities regulatory authorities (available at Sedar.com) and with the U.S. Securities and Exchange Commission (available at SEC.gov), for a description of certain risks and assumptions that could cause actual results or events to differ materially from our expectations expressed in or implied by forward-looking statements contained in this report. These documents are also available at BCE.ca.

The forward-looking statements contained in this report describe our expectations as of August 1st, 2014 and, accordingly, are subject to change after such date. Except as may be required by Canadian securities laws, we do not undertake any obligation to update or revise any forward-looking statements contained in this report, whether as a result of new information, future events or otherwise. Except as otherwise indicated by BCE, forward-looking statements do not reflect the potential impact of any non-recurring or other special items or of any dispositions, monetizations, mergers, acquisitions, other business combinations or other transactions that may be announced or that may occur after August 1st, 2014. The financial impact of these transactions and non-recurring and other special items can be complex and depends on the facts particular to each of them. We therefore cannot describe the expected impact in a meaningful way or in the same way we present known risks affecting our business.

Forward-looking statements are presented in this report for the purpose of assisting investors and others in understanding, in particular, certain key elements of our 2014 corporate responsibility and sustainability objectives, and in obtaining a better understanding of our anticipated operating environment. Readers are cautioned that such information may not be appropriate for other purposes.

REFERENCES AND ADDITIONAL INFORMATION

Visit bce.ca/responsibility for:

- Letter of assurance and KPI summary report
- GRI index
- Highlights of this report
- Past reports
- GHG summary report

Visit bce.ca/investors for:

- Financial reporting

WHO WE ARE

Bell is Canada's largest communications company and provides consumers and businesses with a wide range of critically important communications services. For consumers, these range from high-speed [Fibe Internet](#), [Fibe TV](#) and [Satellite TV](#) to [Bell Mobility Inc.](#) ("Bell Mobility") and [Virgin Mobile Canada](#) ("Virgin Mobile") wireless services, as well as [Bell Home Phone](#) local and long distance. [Bell Business Markets](#) serves organizations and companies of all sizes with broadband network and information and communications technology (ICT) services. [Bell Media Inc.](#) ("Bell Media") is Canada's premier multimedia company with leading assets in television, radio and digital media, including CTV, Canada's #1 television network, and the country's most-watched specialty channels. Through the 2013 acquisition of Astral Media Inc. ("Astral"), Bell is also now the largest radio station operator in Canada, a leading TV broadcaster in Québec and the third largest out-of-home advertising space provider in the country. Wholly-owned Bell subsidiary, [The Source \(Bell\) Electronics Inc.](#) ("The Source"), is Canada's largest electronics retailer with more than 700 outlets across the country. Bell Canada is headquartered in Montréal, Québec, and is wholly-owned by BCE Inc. (TSX, NYSE: BCE).

Bell is Canada's largest communications company

For more information about Bell's brands, products and services, please see our [Annual Report](#), p. 27-30.



MESSAGE FROM OUR CEO

Hello everyone,

A part of Canadian life since 1880, Bell is committed to remaining at the forefront of communications technology and service innovation, community investment, and corporate governance. In a fast-changing marketplace, leadership in corporate responsibility is essential to all of our operations.

The communications services Bell provides to Canadian consumers and businesses have always connected people, their communities and their workplaces to each other and the world, enabling growth in ideas and productivity in a sustainable way.

Now, in a sector defined by next-generation technologies, evolving customer demand and growing competition, Bell is rapidly transforming in order to continue to deliver for our customers, our shareholders and our communities into the future.

Our goal is straightforward: For Bell to be recognized by customers as Canada's leading communications company. To achieve it, the Bell team is executing a set of 6 Strategic Imperatives that build on Bell's dedication to investment, innovation and growth:

- Invest in broadband networks and services
- Improve customer service
- Accelerate wireless
- Leverage wireline momentum
- Expand media leadership
- Achieve a competitive cost structure

Bell is focused on the growth services of communications – wireless, TV, Internet and media – that will ensure Canada's global leadership in the sector going forward. In 2013, these high-demand products grew to make up 82% of Bell revenues, while traditional Home Phone service accounted for just 8%.

As one of the world's most innovative communications companies, regularly ranking in the country's top 3 R&D investors across any industry, Bell commits more resources to Canadian communications infrastructure and services development than any other company. Capital investment in new networks and service initiatives again surpassed \$3 Billion in 2013, supporting the deployment of next-generation technologies like Fibe TV and Internet and mobile 4G LTE.

Bell continues to deliver a better customer experience with significant investment in service teams and systems, including new mobile and online self-serve apps and 3 new Bell call centres in Québec and Ontario as we reduce our reliance on outsourced suppliers. At the same time, we're growing competition and consumer choice in Canadian communications, as in television with the continued rollout of superior Fibe TV service and the acquisition of Astral Media.

Alongside Bell's technology leadership, we invest directly in our communities with a focus on moving Canadian mental health forward through the Bell Let's Talk initiative.

Built on 4 action pillars – anti-stigma, care and access, new research, and workplace leadership – Bell Let's Talk is the largest-ever corporate commitment to mental health in Canada. Growing acceptance, awareness and action with national anti-stigma campaigns like Bell Let's Talk Day and Clara's Big Ride, Bell has committed more than \$67 million to mental health programs from coast to coast to coast. Bell was also awarded Excellence Canada's silver award for workplace mental health leadership in 2013.



Bell Let's Talk national spokesperson and Olympic champion Clara Hughes has just completed Clara's Big Ride for Bell Let's Talk, her epic 11,000 km cycling journey around Canada in support of mental health. Clara visited hundreds of community and school events in every province and territory, delivering the message that Canada can be a nation free of the stigma around mental illness. At the conclusion of her 110-day odyssey in Ottawa on Canada Day, Clara was presented with the Meritorious Service Cross by His Excellency the Right Honourable David Johnston, Governor General of Canada.

Bell is renowned for our corporate governance leadership. Shares of BCE Inc. are among the most broadly held securities in the nation, and we are committed to delivering value in the form of consistent dividend growth to our shareholders in a sustainable and responsible way.

A part of Canadian life since 1880, Bell is committed to remaining at the forefront of communications innovation, investment in the community, and corporate governance. Leadership in corporate responsibility is essential to all of our operations in a fast-changing communications marketplace.

BCE was recognized for our good governance multiple times in 2013 with honours such as the Gavel Award from the Canadian Coalition for Good Governance, Best Overall Corporate Governance (International) from the global Corporate Secretary Corporate Governance Awards, and the first award for best overall corporate governance from the Canadian Society of Corporate Secretaries.

Our focus on sustainability is manifested through internationally recognized management and oversight systems, including the

first and only Canadian telecom ISO 14001 environmental certification and our support for the principles of the United Nations Global Compact. This report details how we met or exceeded all of the corporate responsibility objectives that we set a year ago.

Bell continues to reduce our impact on the environment, minimizing greenhouse gas emissions and paper usage, obtaining green certifications for several key facilities like our new data centres, and deploying communications solutions such as videoconferencing to help reduce travel for customers and our own teams.

With a workforce of 50,000 Canadians, Bell is an acknowledged leader in workplace best practices, from innovative mental health initiatives to a comprehensive plan to promote diversity across our national team. For 2 straight years, Bell has been named one of Montréal's Top Employers and we rank 6th in North America for our leadership development programs.

For more than 130 years, Bell has been a leading Canadian corporate citizen dedicated to ensuring our country's communications leadership. This report details how Bell team members in every province and territory are carrying our tradition of corporate responsibility forward as we execute Bell's transformation in an evolving communications marketplace.



George A. Cope
President and Chief Executive Officer
BCE Inc. and Bell Canada

SUSTAINABILITY AT BELL

Bell's corporate goal is to be recognized by customers as Canada's leading communications company. Such leadership will only be realized by continuing to support sustainability in all aspects.

Our sustainability vision – to contribute to the well-being of society by providing high quality jobs, enabling responsible economic growth, connecting communities and safeguarding the environment – is set firmly on a foundation of solid principles and values.

We believe that people, the economy, and our environment are inextricably linked. By balancing economic, environmental and social objectives, we realize significant collective gains that go far beyond financial and commercial growth. Bell helps people communicate, build skills and contribute to economic and social advances.

Since 2006, Bell has been a signatory of the United Nations Global Compact, a set of universal principles that address issues involving human rights, labour, the environment and anti-corruption. Through its membership in forward-thinking groups such as this, and which are composed of leaders of the global business community, Bell participates in the development and dissemination of innovative thinking that produces practical action and tangible results. Here are some of the groups in which we are involved:



It begins with a commitment to governance discipline, which led to our Board of Directors being honoured 3 times in 2013 alone for excellence in governance.

Through that solid governance structure, we actively manage environmental, social and economic performance, maintaining the delicate balance between economic growth, social requirements and environmental performance in order to ensure our future well-being. In the absence of only one of these 3 key elements, sustainability cannot be supported.

The Audit committee of the BCE Board of Directors is responsible for, among other things, sustainability issues including environmental risks, security, and business continuity. The Committee mandates an executive vice president-level committee – the Security, Environment, Health and Safety oversight committee (SEHS) – to ensure that the company's corporate responsibility strategy is both aligned and well integrated across all parts of our business. The intent is to minimize financial and reputational risks and maximize business opportunities. This includes reviewing annually the company's environmental policy and recommending modifications to the policy for approval by the Board. The SEHS committee also approves and reviews operational policies to address specific environmental issues, such as climate change, as required.

The SEHS is chaired by the Executive Vice President, Corporate Services. In addition, the Executive Vice President, Corporate Services has 30% of his variable pay tied to personal objectives, which include maintaining ISO 14001 certification, optimizing energy efficiencies, enhancing employee engagement, leading Bell's diversity and mental health programs and preventing workplace accidents.

MANAGEMENT STRUCTURE

Given its history and its leadership, Bell holds a unique position in Canada and takes very seriously its obligation to sustain its ability to provide a healthy livelihood to its employees, a good return to its investors and the communications tools that enrich the lives of its customers. Canadians hold Bell to a very high standard of excellence not only in what it offers to the market but also how it operates, which takes in everything from conducting business in an ethical manner to safeguarding the natural environment.

We remain the first
and only Canadian
telecommunications
company to be certified
ISO 14001

The Corporate Responsibility and Environment team, which oversees climate-change initiatives, reports to Corporate Services.

Corporate Responsibility and Environment managers have the variable portion of their compensation tied to social and environmental goals.

The following principles support our business strategy and serve as a guide for employees to achieve our sustainability vision:

- Act responsibly and engage with stakeholders to identify opportunities beyond compliance to create benefits for both society and the company
- Maintain solid governance principles and oversight systems to monitor compliance, while managing our business with transparency and integrity
- Develop leading-edge communication services that contribute to sustainability and demonstrate leadership by successfully applying them

We reinforce individual accountability through a clear management structure to ensure we identify and properly address responsibility issues and initiatives throughout the corporation.

We ensure that these values and vision are made real through a rigorously applied global strategic approach and a highly effective, practical management system which was ISO 14001-certified in 2009. We remain the first and only Canadian telecommunications company to be so certified.

Read more about our management approach [here](#).

SUSTAINABILITY MEGATRENDS IN OUR INDUSTRY

Over time, sustainability issues move in and out of stakeholder focus. In recent years, the most relevant issues include information security, supply chain, radiofrequency emissions, energy consumption, and electronic waste.

In the area of information security, the protection and the effective organization of systems, applications and information repositories are central to the secure operation of networks and business. Employees and customers rightly expect that we keep private our electronic and physical records of their personal data.

Supply chain issues are important because, in Canada, ICT service providers generally do not manufacture the IT products critical to their operations. In fact, there is a limited number of manufacturers of such products, some of which dominate the global market and often operate in countries frequently cited for human rights and environmental grievances.

In the area of consumer health, while the impacts of radiofrequency emissions continue to provoke debate, in its June 2011 fact sheet on mobile phones, the World Health Organization (WHO) stated that, to date, no adverse health effects have been established from mobile phone use. Earlier, in May 2011, the International Agency for Research on Cancer (IARC) classified radiofrequency electromagnetic fields from wireless phones as possibly carcinogenic to humans. However, it also indicated that chance, bias or confounding could not be ruled out with reasonable confidence. The IARC also called for additional research into long-term heavy use of mobile phones.

Energy consumption for the ICT industry is important because data consumption growth is being driven by the ongoing adoption of smartphones and tablets. The demand for wireless data services is expected to continue to grow, due to the growing appetite for personal connectivity and social networking, mobile TV, mobile commerce, mobile banking, and other M2M (machine to machine) applications. That includes retail applications and advances in transportation such as the connected car, asset tracking and remote monitoring. For example, wireless-only households were estimated to represent approximately 21% of households in Canada at the end of 2013, and approximately 40% in the United States. All of this wireless data consumption increases the consumption of energy of our network, making energy efficiency an issue of strategic importance in the industry. Data centre virtualization is another area which supports the increasing shift of applications and services to the cloud. Virtualization brings agility and efficiency to networks and business operations with more and more tools and professional services becoming available to assist operators. In time, both fixed and wireless access network elements will become virtualized, including functionality that previously resided at the customer premises (residential and enterprise). This transfer of network functions to centralized facilities also means an increase in energy consumption.

Electronic waste is discarded electrical or electronic devices. All electronic residual components, such as cathode ray tubes, may contain contaminants such as lead, cadmium, beryllium, or brominated flame retardants. Recycling and disposal of e-waste may involve significant risk to workers and communities. Great care must also be taken to avoid leakage of hazardous materials from landfills and incinerator ashes. As a reseller of electronic products, Bell has a responsibility to help consumers properly dispose of their unwanted items.

These and other issues are addressed in the five sections of this report: community, customers, environment, workplace and economy.

PRIORITIZING ISSUES

In our daily activities, we have a fundamental responsibility to address a broad spectrum of issues. These include preventing conflicts of interest, protecting company assets, safeguarding privacy and confidentiality, treating clients, business partners, team members and competitors with respect and honesty, fostering a diverse and safe workplace, and protecting the environment.

A materiality assessment – that includes identifying relevant stakeholders and issues through consultation with our main stakeholder groups – is central to our sustainability and corporate responsibility strategy at Bell. It helps us identify the various social, environmental and economic issues that matter most to our business and to our stakeholders.

STAKEHOLDERS

Because issues change and evolve over time, and new issues emerge, Bell engages with a broad range of stakeholders on an ongoing basis. For example, we conduct internal consultations with subject matter experts 3 times a year through our Sustainability Leadership team. Other internal stakeholders we consult include customer service, investor relations, human resources, health and safety and business continuity, community investment, procurement groups, and union representatives. This year we expanded our engagement with our employees by asking them what sustainability issues they would like to see addressed in this report.

We also monitor corporate responsibility issues and opportunities externally through a variety of formal and informal means including stakeholder surveys, trend analyses, benchmark studies, and stakeholder feedback. Last year we expanded our participation in social media channels to include Facebook. We also take into account relevant reporting guidelines, such as the Global Reporting Initiative, Life Cycle Assessment methodologies and our commitment to the UN Global Compact. In addition, clean capitalism analysts from Corporate Knights, Bloomberg ESG and Sustainalytics update us on what is important from a socially responsible investor's point of view.

We identified our most important stakeholders based on their engagement with the company and their influence on the company. We shortlisted our stakeholders to investors, customers, suppliers, employees, unions, ratings agencies, and civil society/NGOs.



ISSUES

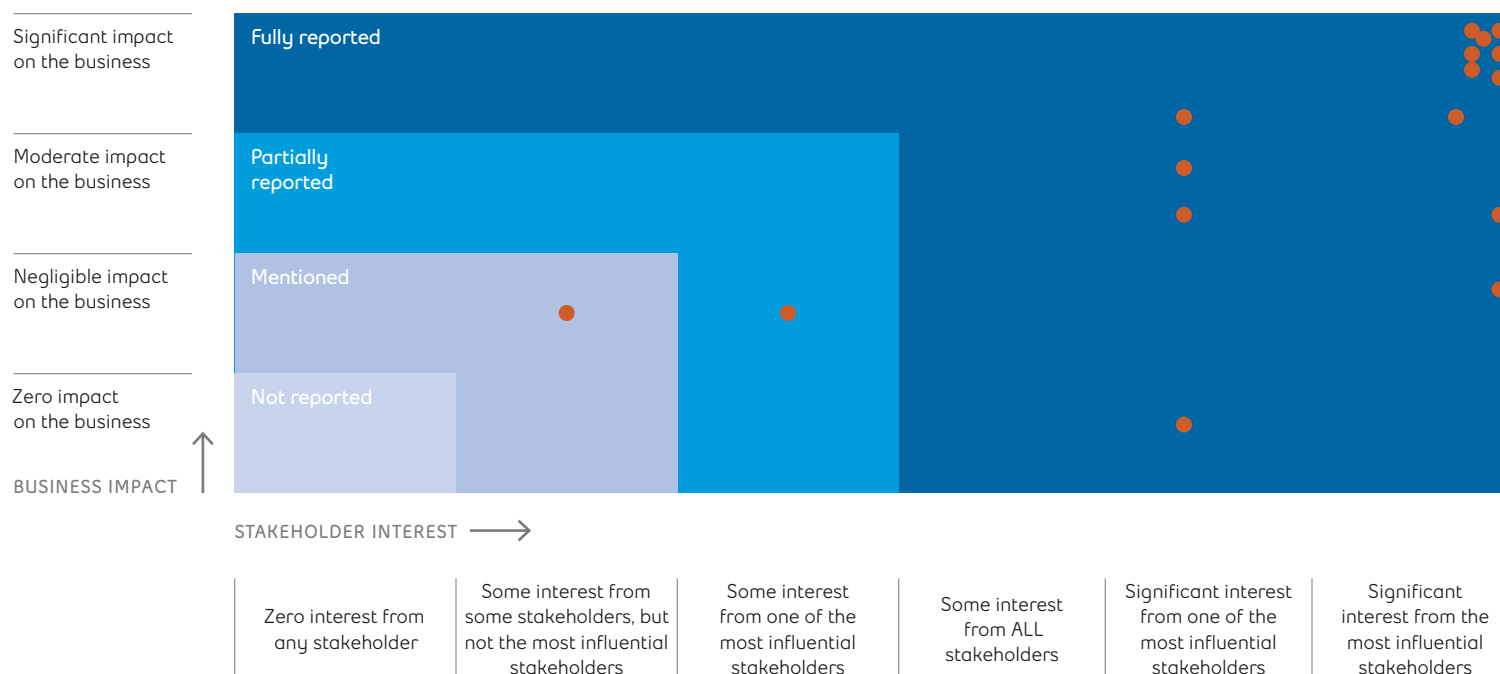
We establish materiality of issues by correlating the full list of GRI G4 indicators with the views and concerns of stakeholders. We plot economic, social and environmental issues that are of most concern to our stakeholders against those that pose risks or present opportunities for the business.

As a result of our consultations, key responsibility issues addressed in this report that are material to our most important stakeholders include:

SIGNIFICANT ISSUES ADDRESSED IN THIS REPORT

SOCIAL	ENVIRONMENTAL	ECONOMIC	GOVERNANCE
<ul style="list-style-type: none"> • Online safety • Customer privacy • Customer satisfaction • Workplace statistics • Training & career development • Diversity 	<ul style="list-style-type: none"> • Greenhouse gases • Energy consumption • Waste • Water • Biodiversity 	<ul style="list-style-type: none"> • Financial performance • Direct & indirect impacts • Community investment 	<ul style="list-style-type: none"> • Supplier screening • Regulatory compliance

DETERMINING REPORT CONTENT



KEY OBJECTIVES AND RESULTS

Our key performance indicators encompass all sectors of sustainability. Here is a summary of our progress against objectives in 2013.

KEY CR ISSUES		2013 OBJECTIVES	2013 RESULTS	PERFORMANCE	2014 OBJECTIVES	RELEVANT GRI REFERENCE	RELEVANT UN GLOBAL COMPACT PRINCIPLE
GOVERNANCE							
Corporate governance & business ethics	●	Remain a leader in corporate governance and ethical business conduct by maintaining best practices, transparency and accountability to our stakeholders.	ISS QuickScore: 2 ¹	✓	Remain a leader in corporate governance and ethical business conduct by maintaining best practices, transparency and accountability to our stakeholders.	—	1-10
Management Systems	●	Maintain ISO 14001 certification for our EMS.	Maintained ISO 14001 certification for our EMS for 5 th year in a row. ²	✓	Maintain ISO 14001 certification for our EMS.	—	8
COMMUNITY							
Community investment	■	Make a meaningful contribution to improving mental health in Canadian communities through 4 key action pillars: anti-stigma, care and access, research, and workplace health.	Bell contributed \$15.8M in community investment and mental health and other initiatives, including workplace mental health programs. ³	✓	Make a meaningful contribution to improving mental health in Canadian communities through 4 key action pillars: anti-stigma, care and access, research, and workplace health.	G4-EC1	—
ENVIRONMENT							
Climate change	●	Reduce GHG emissions by 159 kilotonnes (to 50% of 2003 GHG emissions) by the end of 2020.	Greenhouse gas (GHG) emissions in 2013 were 275 kilotonnes of CO ₂ equivalent. ⁴	—	Redefine our objective in light of the recent business transformations.	G4-EN15 G4-EN16 G4-EN17	7, 8
Recovery	■	Reach a diversion rate for recovered waste of 75% in 2016.	In 2013, our diversion rate decreased by 1.8 percentage points over 2012 to 69.9%. ⁵	Tracking to 2016 target	Reach a diversion rate for recovered waste of 75% in 2016.	G4-EN23	7, 8

KEY CR ISSUES		2013 OBJECTIVES	2013 RESULTS	PERFORMANCE	2014 OBJECTIVES	RELEVANT GRI REFERENCE	RELEVANT UN GLOBAL COMPACT PRINCIPLE
CUSTOMERS							
Service access	■	Target LTE network investment toward completion of major urban and suburban markets.	At the end of 2013, 80% of the country's population had access to Bell's 4G LTE wireless network. ⁶	✓	Pursue LTE network investment towards expanding coverage in smaller markets and rural areas.	—	—
Responsible procurement	■	Develop eco-criteria for selected products within the supply chain. Further enhance our responsible procurement program and supplier code of conduct.	In 2013, we developed eco-criteria for TV receivers and modems. We added controls in the Centralized Procurement process to ensure a copy of the Supplier Code of Conduct, or accommodating clause, is included in all new contracts with Centralized Procurement suppliers. We also updated our supplier code of conduct to cover the use of conflict minerals. ³	✓	Increase the number of products covered by eco-criteria. Continuously improve our responsible procurement program.	G4-EN32 G4-LA14 G4-HR1 G4-HR10 G4-SO9	1 – 10
E-billing	■	Increase e-billing to 35.0% of all bills produced by Bell.	39.1% of all bills produced by Bell were electronic, 9.6 percentage points over 2012, and 4.1 percentage points over our objective. ⁷	✓	Increase e-billing to 46% of all bills produced by Bell.	—	7, 8, 9
WORKPLACE							
Employee engagement	■	Continue to improve employee engagement.	In 2013, Bell had an overall employee engagement score of 70%, an increase of 4 percentage points over 2012. ⁸	✓	Continue to improve employee engagement.	—	—
Health and safety	■	New indicator: Frequency rate: # lost-time accident cases X 200,000 / # worked hours	The frequency rate for 2013 was 1.48. ⁸	✓	Adopt a new H&S Policy and conduct a new round of identification of workplace hazards in light of the recent business transformations.	G4-LA6	1, 2

1 Score as of Feb 15, 2014. Score indicates decile rank relative to peer group. A decile score of 1 indicates lower governance risk, while a 10 indicates higher governance risk

2 The scope includes all Bell Canada business sectors, including wireline, wireless, television and internet services, in addition to related general administrative functions

3 Includes Bell, Bell Media (excluding Astral)

4 Excluding Astral

5 Excludes BCE Nexxia. The decrease is mainly due to the integration of new business units: Bell Media (excluding Astral) & Bell Technical Solutions

6 Statistic includes Bell and Bell Aliant wireless network coverage

7 Bell (all business and residential services)

8 Includes Bell, Bell Media (excluding Astral), Bell Technical Solutions, Expertech

● Recognition provided by external, independent firms:

• Governance: ISS (MSCI)

• Environmental management system: BSI Management Systems America, Inc.

■ The 2013 values of these indicators were subject to a limited assurance engagement performed by PricewaterhouseCoopers LLP. The Independent Limited Assurance Report is available on our [website](#)

GLOBAL RECOGNITION

SOCIALLY RESPONSIBLE INVESTMENT

FTSE Group confirmed that Bell Canada has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index company FTSE Group, FTSE4Good is an equity index series that facilitates investment in companies that meet stringent, globally recognized social and environmental criteria.

BCE Inc ("BCE") is a member of the Jantzi Social Index, a socially screened, market capitalization-weighted common stock index modelled on the S&P/TSX 60. It consists of 60 Canadian companies that pass a set of broadly based environmental, social and governance rating criteria.

Oekom Research has rated BCE as Prime, qualifying our bonds and shares for ecologically and socially based investment.

BCE's CSR profile is monitored and as a result has been listed in the Ethibel EXCELLENCE Investment Register since 2005.

BCE is included in more than 60 investment funds based on social and/or environmental screening criteria. Among these are NEI (Northwest Ethical Investments), BlackRock, Caisse de dépôt et placement du Québec, TIAA-CREF and the very prestigious Storebrand Trippel Smart/SPP Global Top 100 sustainable global equity fund.

BCE is one of three Canadian companies, and the only Canadian telecom company, listed on the UNGC GC 100 Sustainable index.



ENVIRONMENTAL MANAGEMENT

Bell is the first and only telecommunications company in Canada to obtain ISO 14001 certification for its environmental management system.



ENVIRONMENTAL RESPONSIBILITY

Corporate Knights named BCE one of the Global 100 most sustainable companies in the world.

Since 2004, Bell Canada has been a respondent to the CDP's annual request for corporate climate change information. Bell Canada was ranked 8th in Canada on the Climate Disclosure Leadership Index for 2013. In all, Bell has been recognized by the CDP as a leader 5 times since we began reporting.

Since 2010, Bell Canada has obtained BOMA BEST certification for 42 of the buildings we occupy across Canada. We obtained LEED certification for the Montréal campus, LEED Silver for the Mississauga campus expansion, and LEED Gold certification for our newest green data centre in 2013.



SOCIAL RESPONSIBILITY

BCE was named to the Maclean's/Jantzi-Sustainalytics list of the Top 50 Socially Responsible Corporations in Canada for the second year in a row in 2014 and to the 2014 Corporate Knights Best 50 Corporate Citizens in Canada.



GOVERNANCE

In 2013, the BCE Board of Directors won 3 awards: the prestigious Gavel Award from the Canadian Coalition for Good Governance for exceptional communication with shareholders; the Best Overall Corporate Governance – International award at the 6th annual Corporate Secretary Corporate Governance Awards; and the first-ever award for best overall corporate governance from the Canadian Society of Corporate Secretaries.



WORKPLACE

For a second year in a row, Mediacorp Canada named Bell one of Montréal's top employers, citing our progressive work spaces, competitive benefits and professional development programs.

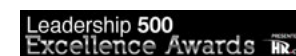
In 2013, Bell received the Leadership 500 Award, which recognizes North American organizations with outstanding leadership programs. Bell ranked 6th out of 100 companies in the large international category on the strength of our People Leader Foundations program launched in 2013.

In 2013, Bell's Graduate Leadership Program won the Best Grad Program by TalentEgg.

In 2013, Bell won the Excellence in Innovation: Leadership Development award from the Canadian Association of Career Educators and Employers (CACEE), which recognized our Mobility & Residential Services Graduate Leadership Program.

Bell was recognized as the first company to offer 1,000 paid internships by Career Edge's 1000th intern award.

Bell was one of the few Canadian companies to appear on the Universum Top 100 Ideal Employer Rankings.



OUR COMMUNITY

- BELL LET'S TALK
- RECORD SUPPORT FOR KIDS HELP PHONE
- RESPONDING TO COMMUNITIES IN CRISIS
- INVESTING IN COMMUNITIES
- SUPPORTING NORTHERN COMMUNITIES
- BELL'S INVESTMENT IN COMMUNITIES
- KEEPING CANADIAN CHILDREN SAFE ONLINE
- PROVIDING COMPUTERS FOR SCHOOLS



THE BELL LET'S TALK MENTAL HEALTH INITIATIVE

With initiatives such as Clara's Big Ride, Bell continued to expand its work to engage Canadians in a conversation about improving mental health across the country through the award-winning Bell Let's Talk program. Focused on fighting stigma, supporting research, improving access to care and ensuring psychological health and safety in the workplace, Bell Let's Talk is the largest ever corporate commitment to mental health. Each year it reaches more Canadians, builds awareness and provides more funding, ultimately raising hope for millions of sufferers and those close to them.



The challenge is immense. Mental illness is one of the most pervasive health issues in the country with far-reaching consequences for every Canadian. One in 5 people will experience a form of mental illness and most will be reluctant to talk about it, even to those close to them. Because of that stigma, just one-third of those who have a psychological disorder will seek treatment. Even those not directly affected will more than likely be touched by a co-worker, friend or family member who faces a struggle. The impact on productivity in the economy as a whole is estimated to be in excess of \$50 billion a year.

Initially, **Bell Let's Talk** was a \$50M commitment to nurture better mental health across the country. It has since grown to more than \$67M on the strength of the enthusiastic response of Canadians to Bell Let's Talk Day, the annual event designed to reduce the stigma that still inhibits most people with mental health issues from seeking help.

A RECORD BELL LET'S TALK DAY

Each year, Olympic champion Clara Hughes leads a high-profile campaign to reduce that stigma and raise more funds to fight mental illness. She is supported by business, political and entertainment leaders across the country who share their own struggles with mental illness as a way of encouraging everyone to get involved. Dozens of large businesses and organizations also support the campaign.

Canadians responded in record numbers on the 4th annual Bell Let's Talk Day on January 28, 2014. Bell donated an additional 5 cents for each of the 109.5M long distance and mobile calls, texts, retweets and Facebook shares recorded on the day, 14% more than in 2013. As a result, Bell committed \$5,472,585.90 more to mental health initiatives.

In 2014 Bell
committed
\$5,472,585.90
more to mental
health initiatives

Clara's Big Ride



Clara Hughes is calling on you to support mental health in your community.



CLARA'S BIG RIDE EXTENDS ANTI-STIGMA INITIATIVES

To maintain momentum and extend the impact of our anti-stigma campaign beyond January's Bell Let's Talk Day, we initiated Clara's Big Ride. For 110 days, from March 14 to July 1st 2014, Clara Hughes rode her bike more than 11,000 kilometres through every province and territory to meet thousands of Canadians in person and raise awareness of mental health at the grassroots level in 105 communities. The ride finished with a high-profile welcome in Ottawa on Canada Day.

For 110 days
Clara Hughes rode
her bike more than
11,000 km
through Canada

BETTER CARE AND ACCESS

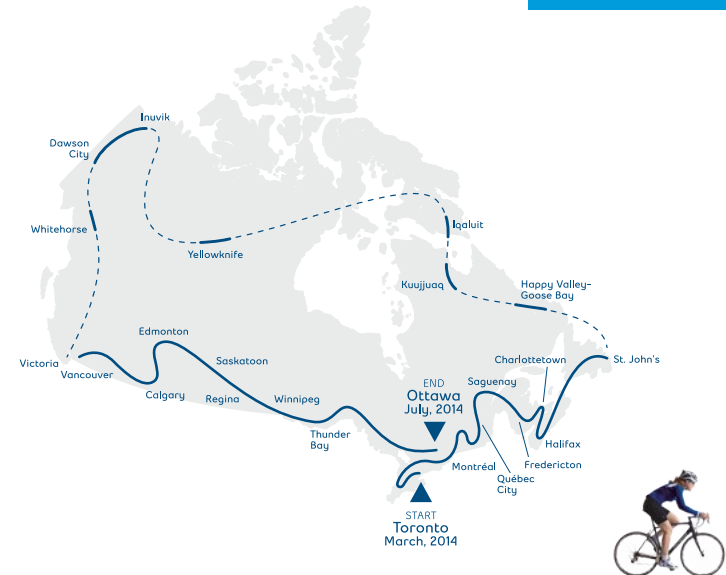
Bell invested in several innovative programs aimed at improving care and access to care for those with mental health issues.

In one major initiative, Bell partnered with the True Patriot Love Foundation to establish the Bell True Patriot Love Fund, a \$1M program to support the unique mental health needs of Canadian military families, soldiers, and veterans. For each of the next 4 years, Bell and the True Patriot Love Foundation will equally fund the distribution of \$250,000 in grants up to \$25,000 for programs delivered through Military Family Resource Centres.

Bell also:

- Donated \$500,000 to La Fondation du Centre hospitalier universitaire de Québec (CHUQ) to upgrade its acute psychiatric care unit
- Provided \$230,000 to a program at the Jewish General Hospital in Montréal that helps children re-adjust to home life after lengthy, intense treatment for mental illnesses
- Gave \$225,000 to the Université Laval Foundation to provide training in mental health for frontline members of the university community

We contributed another \$1M in one-time grants of up to \$50,000 to 53 community organizations across the country that are involved in mental health care at the local level in every region of the country through the Bell Let's Talk Community Fund. Applications for the 2014 fund were being processed as this report was prepared and results will be communicated later this summer.



SUPPORTING RESEARCH

Bell provided significant support to several leading-edge research initiatives. Among other programs, we:

- Partnered with Sunnybrook Health Sciences Centre to create the \$1M Bell Canada Chair in Adolescent Mood & Anxiety Disorders. Prominent youth psychiatrist and researcher Dr. Amy Cheung is the inaugural holder of the chair, leading research to help family doctors better assess teens' mental health and diagnose depression sooner in the hope of preventing self harm
- Contributed \$500,000 to Concordia University's Department of Psychology to subsidize therapy and assessment at the university's Applied Psychology Centre and Centre for Clinical Research in Health
- Gave \$500,000 to Brain Canada to establish the Bell Mental Health Research Training Awards to support talented young Canadian mental health researchers. The federal government matched the funding
- Organized the first annual Bell Lecture on Mental Health and Anti-Stigma, a joint initiative with Queen's University where Bell funded the first Chair in anti-stigma research in the world. The lecture series is designed to further stimulate the conversation among scholars, people affected by mental illness and the broader community

WORKPLACE PSYCHOLOGICAL HEALTH

With half a million Canadians missing work each day because of a mental health issue, the national impact in lost productivity is estimated to be in excess of \$50 billion a year.



Every Day half a million Canadians miss work because they are dealing with a mental health issue.

Bell continually enhances access to mental health information, online, in person and through seminars and events with health care organizations and professionals for its team members. Bell's entire management team undergoes training to support team members experiencing mental health issues. Bell has also implemented an innovative return-to-work program for team members affected by mental illness.

In collaboration with Queen's University, Bell and Morneau Shepell launched a progressive

workplace mental health certificate training program that teaches leadership skills in managing performance and promoting a mentally healthy workplace. The program is available to all Canadian businesses and organizations from Morneau Shepell.

Early in 2014, we celebrated the first anniversary of the national standard on Psychological Health and Safety in the Workplace, an initiative we helped fund that provides organizations with resources to ensure better mental health for their employees. We also significantly increased the benefit coverage offered to our employees specifically for psychological and social work services.

Bell received recognition in 2013 from Excellence Canada, a non-profit national organization that promotes workplace best practices across a range of industries. Bell was honoured with the Silver Award for Mental Health at Work in recognition of our exemplary commitment to workplace mental health.



RAISING MORE FUNDS FOR MENTAL HEALTH

In addition to investing directly in better mental health, Bell supports a variety of fundraising initiatives.

For example, we hosted the largest Mental Health fundraising event in Québec, the Bal des lumières which raised more than \$1.1M for 3 Québec mental health organizations: the Mental Illness Foundation, the Fondation de l'Hôpital Louis-H. Lafontaine – Institut universitaire en santé mentale de Montréal, and the Douglas Mental Health University Institute Foundation.

Bell was the presenting sponsor of the Butterfly Affaire that raised \$100,000 for the Family Resource Centre at the Ontario Shores Centre for Mental Health Sciences in Whitby. In the Ottawa area, Bell Kaleidoscope of Hope Gala raised \$90,000 for youth mental health and during the Movember campaign in November, in which men grow moustaches to raise funds, Bell teams raised \$79,000 for men's mental health.

Bell hosted the largest Mental Health fundraising event in Québec, raising \$1.1M

Bell also sponsors the annual awareness campaign of the Canadian Alliance on Mental Illness and Mental Health. The campaign, which includes The Champions of Mental Health Awards, aims to turn up the volume on the conversation about the need for improved access to services and support for mental health in Canada.

RECORD SUPPORT FOR KIDS HELP PHONE

In 2014, to celebrate the 25th anniversary of Kids Help Phone, Canada's only professional counselling and information service supporting young people 24/7, the national phone and online counselling agency for youth, Bell made the largest ever corporate pledge to the organization – \$2.5M.

The gift will enable **Kids Help Phone** to use innovative communications technologies to support the mental health and well-being of young people across the country. Specifically, the donation will fund:

- Online counselling through Live Chat, which enables kids facing particularly challenging mental health issues to connect one-on-one with Kids Help Phone professional counsellors
- Phone and Web-post counselling
- Ongoing service innovation using new technologies. This includes Resources Around Me, a youth-friendly tool available on kidshelpphone.ca, and the organization's **Always There** app that enables young people to instantly find sources of local services and support programs in their communities, including food banks, shelters, health clinics and counselling centres

Bell is a founding partner of Kids Help Phone and team members continue to contribute their own resources and energy to the organization in addition to the company's contributions. In the 2013 Kids Help Phone annual fundraising walk, for example, team members from Bell, Bell Media, and The Source canvassed for pledges and participated in local walks, and rallied to raise a total of \$572,486.

Bell made the largest
ever corporate
contribution to Kids
Help Phone
\$2.5M

KidsHelpPhone.ca
1 800 668 6868

Kids Help Phone



RESPONDING TO COMMUNITIES IN CRISIS

Bell continued a long tradition of service to our communities in 2013 as the company and team stepped up all year long to help people impacted by widespread disasters, at home and abroad.

In a number of cases they worked to restore service even when their own homes were in the middle of the disaster zone.

That was the case when floods covered large parts of Calgary and southern Alberta in June. Several Bell stores and buildings were shut for days by the floods which also forced thousands of people out of their homes.

Network and Field technicians worked around the clock to keep Bell networks and systems running, in some cases taking care of our customers even as they were evacuating their own buildings.

Dozens of Bell volunteers also enthusiastically stepped up to support the massive clean-up effort. For example, Neo Caines from the Bell Mobility Care Help Desk, rollerbladed through the Rockies from Vancouver to Calgary to raise money for flood relief in partnership with the Canadian Red Cross. As a company, Bell contributed \$160,000 to the Red Cross to assist affected families and The Source gave 8 full skids of batteries to help emergency workers.

With support for the Red Cross and on-site communications, Bell assisted the people of Lac-Mégantic following the fatal train derailment and crude oil explosion in July.

Bell donated \$25,000 to support Red Cross relief efforts and invited mobile phone users across Canada to donate \$5 to the relief effort simply by texting. The Red Cross used a Bell-donated emergency response trailer to bring equipment to the local emergency centre at the secondary school in Lac-Mégantic. As well, to enable emergency workers and residents to stay connected in a town that suffered significant damage in the explosion and fire, Bell donated mobile phones, landlines and Wi-Fi for the shelter. Meanwhile, more than 300 Field technicians, Network staff and the emergency management team worked tirelessly to maintain operations at our local central office and continued to be present as the community rebuilt.

Another group of 150 volunteers staffed the phones for the Avenir telethon which raised an additional \$310,000 for the Lac-Mégantic recovery.



Bell employees taking calls during the Lac-Mégantic telethon. Marie-Nicole Audette is seen here taking donations.

In another initiative, soon after Typhoon Haiyan – one of the most devastating storms ever recorded – hit the Philippines, Bell contributed \$100,000 to the Red Cross rescue and recovery operations there. As well, to enable Canadian Filipinos to have access to the latest information on the situation, Bell provided free access to 4 Tagalog-language channels on Bell Satellite and Fibe TV.

We also supported the Humanitarian Coalition, with their typhoon fundraising campaign by contributing free airtime for TV and radio ads, plus space for banners on Bell Media websites such as CTV.ca and TheLoop.ca.

INVESTING IN COMMUNITIES

Bell made an overall investment of almost \$16M in communities in 2013, including workplace mental health programs. This includes support for a range of community initiatives in addition to Bell Let's Talk. Through the Employee Giving Program, Bell matches donations that team members make to United Way/Centraide, the Canadian Mental Health Association, and Canadian universities and colleges. The company covers all administrative costs of the Employee Giving Program. Most of the program contributions are automatically deducted from payroll, but whatever the method of payment, a 100% of the funds go to charity.

Bell also provides grants to charities at which our employees or retirees volunteer. Bell will grant up to \$500 a year to any approved organization supported by an employee's individual volunteer commitment of at least 50 hours. For a retiree, the grant is up to \$250 for 50 hours or more of volunteer time. The company will also grant up to \$2,500 to an organization for which employees or retirees contribute 250 hours as part of a larger volunteer team.

Bell team members and retirees donated more than **\$2.1M** in charitable gifts in 2013

Through the Employee Giving Program, Bell team members and retirees donated more than \$2.1M in charitable gifts in 2013. In addition, they contributed 204,500 hours of volunteer time to amateur sport organizations and charities.



Employee Giving Program launch activity at our Creekbank Campus in Mississauga.

BELL 2013 EMPLOYEE AND RETIREE DONATIONS

(\$ millions)

	2013	2012	2011
Bell community investment	15.8	17.0	16.0
Employee donations	2.1 ¹	1.7 ²	1.7 ²

¹ Includes Bell, Bell Media (excluding Astral), Bell Technical Solutions Inc. ("Bell Technical Solutions")

² Restated to align with scope of business units defined in 2013



Employee Giving Program kick-off celebration with the Vancouver Whitecaps FC.

SUPPORTING NORTHERN COMMUNITIES

NORTHWESTEL

Northwestel Inc. ("Northwestel"), a wholly-owned subsidiary of Bell, operates in an area only slightly smaller than the European Union – just under 4M square kilometres of the most remote and rugged terrain in Canada. Approximately 600 employees work to deliver a complete range of voice, video and data solutions to customers living in Nunavut, the Northwest Territories, Yukon, northern British Columbia and High Level, Alberta.

Northwestel shows its gratitude to its customers – the people who make the business possible – by supporting the things that matter to them: sporting events, cultural activities, health programs, recycling projects, music festivals, science fairs, spelling bees, even amateur radio broadcasting. In 2013, Northwestel gave \$558,000 in cash and donated services to hundreds of not-for-profit organizations in its operating territory.

Employees also support local communities where they live, work and play by volunteering for a variety of projects. Northwestel recognizes their efforts through the Volunteer Involvement Fund. The Fund converts employee volunteer hours into direct financial aid for the organizations employees choose to support.

In 2013, the Yukon Hospital Foundation named Northwestel employees Volunteers of the Year. Foundation President Krista Prochazka made the announcement during a reception in mid-November.



Northwestel was awarded Volunteer of the Year by the Yukon Hospital Foundation. In this photo, from left to right, Christiane Vaillancourt, Director of Communications - Northwestel, Paul Flaherty, President and CEO - Northwestel and Krista Prochazka, President - Yukon Hospital Foundation.

"Each year, the Foundation awards a Volunteer of the Year Award in recognition of those volunteers whose contributions go above and beyond. There is one company whose staff has committed hundreds – hundreds and hundreds – of hours to volunteering. This year, it gives me great pleasure to say thank you – and to recognize the employees of Northwestel as our 2013 Volunteers of the Year!"

Yukon Hospital Foundation President,
Krista Prochazka

BELL'S INVESTMENT IN COMMUNITIES ACROSS THE COUNTRY

INVOLVEMENT IN ARTS AND ENTERTAINMENT

BELL LOCAL

Bell Local, community TV programming, launched in 2013 on Bell Fibe TV. It is dedicated to creating high-quality television programming that engages all the communities we serve to connect through their stories.

The objective is to revolutionize local access television by empowering people to create engaging and inspiring stories.

Bell Local aims at enriching the variety of community television programming and provide opportunities for new voices to participate in Canadian broadcasting.

Bell Local is committed to the production of smart, inclusive and entertaining programming that will inspire and connect our viewers to their neighbourhoods.

Inspiring content can be seen on Bell Fibe On Demand, customers can submit a story or an idea for a program by visiting Bell.ca/belllocal.

Bell Local is committed to:

- Seeking out innovative ideas and alternative views
- Promoting citizen participation and community involvement in its programming
- Provide training and learning opportunities in television production
- Reflect the diversity, in all its forms, in our community

BANFF WORLD MEDIA FESTIVAL



Bell Media has long supported the National Fellowship program of the Banff World Media Festival which fosters creativity and the exchange of ideas among television and new media professionals. The Fellowship program encourages professional development in the television industry by enabling emerging creative talent, including producers, writers and directors, to

attend the Festival to gain access to valuable mentorship opportunities. The winner of the 2013 Bell Media Fellowship Award of Distinction was Craig David Wallace of Toronto, Ontario, who benefited from Bell Media's mentorship program in 2008. banffmediafestival.com

BROADCASTING ACCESSIBILITY FUND

BAF is an independent and impartial funding body created with BCE-CTV tangible benefits funds. It is managed by an independent board including representatives from the accessibility community and the broadcasting industry. The BAF focuses on platform-neutral solutions to improve accessibility of all broadcasting content to persons with disabilities. Projects must be incremental to the existing regulatory obligations of the broadcasting industry in Canada, with an emphasis on projects that provide practical solutions that tangibly increase accessibility in broadcasting as quickly as possible. The BAF seeks to fund projects that make use of inclusive design principles to promote accessibility at the earliest stages and in the most cost-effective manner.



IMAGINENATIVE FILM + MEDIA ARTS FESTIVAL

Bell Media was the presenting sponsor of the 14th edition of imagineNATIVE, an international festival that celebrates the latest works by Indigenous Peoples

at the forefront of innovation in film, video, radio and new media. The event attracted 15,558 attendees, representing a notable 20% increase over 2012.

imagenative.org



NATIONAL SCREEN INSTITUTE

NSI Totally Television is a TV development training course supported by BCE tangible benefits funds where writer/producer teams meet executives from major Canadian networks. Teams work with executive producers

and showrunners to hone concepts, aiming to land a development deal with a broadcaster. The program offers training to up to 5 writer/producer teams annually.

nsi-canada.ca

National Theatre School of Canada



NATIONAL THEATRE SCHOOL

Support from Bell Media is dedicated to ensure the school reflects the diversity of the community through new faculty hires, bursaries for students and a popular open house. Through that support, the school, which offers professional training in acting, playwriting, directing and set and costume design, has also created Stage: Horizons Diversité an outreach program in French-speaking, visible-minority communities of Montréal that gives up to 16 students an intensive 4-day internship at the school.

ent-nts.ca/en

KEEPING CANADIAN CHILDREN SAFE ONLINE

Bell contributes \$150,000 every year to support cyber safety through the Canadian Centre for Child Protection of which Bell is a founding supporter.

Half of that supports Cybertip.ca, Canada's tipline for Canadians to report their concerns about online sexual exploitation of children and raises awareness of the issues to better protect children when they use the Internet.

Since 2002, Cybertip.ca – which Bell has supported since its inception – has worked with law enforcement to respond to 102,000 complaints from the public and provided 10M pieces of educational material to schools and families across the country. In 2013 alone, Cybertip.ca received approximately 25,000 reports from Canadians.

The other half of Bell's donation goes to the Centre's initiatives to reduce "sexting" which is when young people create, send and share sexual imagery online or via texts. Bell has funded two guides to help parents and educators address the issue. Bell's support also helped the Centre launch needhelpnow.ca which provides young people with practical advice on dealing with sexting situations.

In 2013, Bell continued its \$30,000 annual commitment to MediaSmarts, of which Bell is also a founding supporter. MediaSmarts is a national, bilingual organization committed to digital and media literacy for parents and families, academics, broadcasters, telecommunications service providers and Internet-based organizations. Specific initiatives include online parent tutorials to assist parents with strategies for the digital generation, web awareness workshop series for teachers and librarians, and media literacy week to build public awareness in developing critical thinking skills for active and informed digital consumers.

Bell is also proud of its role as a founder of the Canadian Coalition Against Internet Child Exploitation and its Cleanfeed Canada initiative (operated by Cybertip.ca) which was developed to reduce Canadians' exposure to child abuse images and create a disincentive for those who access and distribute child pornography.

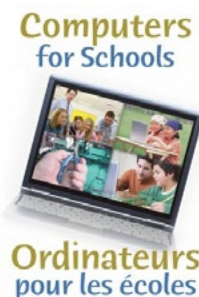


In 2013 alone, Cybertip.ca received approximately 25,000 reports from Canadians about online sexual exploitation of children.

cybertip!ca®

PROVIDING COMPUTERS FOR SCHOOLS

Bell supports the Computers for Schools program which provides refurbished computers to primary and secondary schools and to various non-profit organizations. This program is ISO 14001 certified. It also meets industry standards, being certified by the Recycler Qualification Office as a program for the refurbishment and reuse of electronic products. In addition to chairing and managing the program in Québec, Bell also provides space for a workshop and office management.



In 2013, Bell donated 5,084 used computers and 557 screens. Since the program began, Bell has contributed more than 66,000 computers, 14,150 screens and 3,850 printers.



OUR CUSTOMERS

- DELIVERING QUALITY CUSTOMER SERVICE
- SERVICE COVERAGE
- BELL'S CORE NETWORK
- CUSTOMERS WITH DISABILITIES
- BUSINESS COMMUNITY
- PROTECTING CUSTOMERS
- RESPONSIBLE PRODUCTS AND SERVICES



DELIVERING QUALITY CUSTOMER SERVICE

As the country's largest communications company, Bell is committed to make its services accessible to everyone in our territory. We provide numerous ways for customers with disabilities and those living in remote areas to benefit from our technologies. Through our strategic imperative to invest in broadband networks and services, Bell is the principal builder of Canada's communications infrastructure, investing \$3 billion a year to grow broadband connectivity faster – for both wireline and wireless services.

We also invest heavily to reach our goal to provide the best customer experience in the industry. To that end, we invested \$140M in 2013 in new service tools, training and infrastructure to introduce more than 450 enhancements to our customer service offering, including:

- Announced the opening of 3 Canadian call centres in Orillia, Ontario and in Jonquière (Saguenay) and Rouyn-Noranda, Québec. Not only does this bring service closer to customers, these centres will also provide local investment and jobs (\$4M and 450 jobs in Saguenay alone)
- Enhanced our popular Bell.ca support section with better design and navigation, improved search capabilities, and an expanded selection of step-by-step tutorials on Internet & TV troubleshooting, as well as mobile device emulators that teaches customers how to get the most out of all the things their smartphones can do
- Released the Fibe TV remote control app which turns a customer's tablet and smartphone into a remote control for their Fibe TV, enabling them to browse the guide, change channels, and set favourites and recordings from anywhere. This app earned a rating of 4.5 out of 5 stars on iTunes
- Invested in 100TB of data, equivalent to 400 laptop computers, for customer representatives to use for smarter prospecting and better retention of customers



To reach our goal to provide the best customer experience in the industry, we invested \$140M in 2013 in new service tools, training and infrastructure.

- Launched a benefit for Mobility customers that notifies them when their usage nears a pre-set limit. As a result, we have recorded significantly fewer calls to our call centres and lower churn since the introduction in the fall
- Significantly enhanced self-serve capabilities to enable customers to manage the more straightforward elements of their accounts themselves. The new options include a personalized Bill Explainer and the Mobility Bill Interactive Tour which address common questions. This not only has resulted in improved customer satisfaction, it reduces Bell's costs by minimizing calls to our call centres. In fact, we have recorded a 25% reduction in call centre load in the last 2 years. Usage of our mobile self-serve app has increased fourfold since 2010
- Significantly increased the availability of our FibeTV product through network construction and introducing a new technology called 'pair bonding'
- Provided TV customers with more freedom through new technology like the Bell-exclusive wireless TV receiver which enables customers to move their set wherever they want, when they want, without calling a technician. This has also reduced Bell Fibe TV installation time by an average of 2 hours compared to 2011
- Enhanced Making It Right, a team of specialists who take on the most challenging customer referrals



Our unique Fibe TV remote control app turns a customer's tablet or smartphone into a remote control for their Fibe TV, enabling them to browse the guide, change channels, and set favourites and recordings from anywhere.

- Expanded our Field Services workforce to put more technicians on the road with better tools such as smartphones that enable them to better see, test and solve problems using mobile applications
- Introduced a world-class dispatching system that enables us to serve customers more efficiently by assigning work to technicians based on their location and their skill set. As a result, technicians live up to our Same Day Next Day commitment more than 91% of the time and arrive on time more than 98% of the time, earning them a customer satisfaction rating above 92%
- Reduced the time between ordering Internet service and having it up and running from 8 days to 2
- Continued to expand our network of stores and kiosks across the country, adding 43 Bell stores and 40 The Source locations, for a total of more than 1,600 locations. In 2013, we also renewed our partnership with Glentel which offers Bell wireless services in more than 360 retail outlets such as WIRELESS WAVE and Tbooth wireless



Technicians live up to our Same Day Next Day commitment more than 91% of the time and arrive on time more than 98% of the time, earning them a customer satisfaction rating above 92%.

The effectiveness of these and other initiatives is evident in the results of a variety of measurements we apply to our customer service operations. For example:

- In Wireless, we reduced postpaid churn (the proportion of customers who leave in a given period) to 1.25%, a year-over-year improvement of 5 basis points
- In Wireline, we reduced Fibe TV install time by 27% and call propensity (the likelihood of a customer to call our call centre) by 40%
- Customers are taking full advantage of our self-serve options online and on smartphones. Mobile self-serve usage jumped to 31M visits in 2013 from 7M in 2010
- Nearly half of our customers with smartphones access their account through their device. Bell customers accessed their accounts through MyBell.ca 50M times in 2013, up 88% since 2010
- Our quality scores were up nearly 40% at the end of 2013, while the number of customer issues that were escalated to the attention of an executive was down by the same percentage
- Bell Privileges – our program for our highest value customers – continued to grow, recording best-in-world scores for both Customer Satisfaction and Net Promoter Score (the propensity for customers to recommend Bell to others)

Technicians live up to our Same Day Next Day commitment more than **91%** of the time

SERVICE COVERAGE

In early 2014, Bell became the first Canadian carrier to launch 4G LTE network service with new 700 MHz spectrum which will enable us to take world-leading 4G LTE technology to Canadians in small towns, rural locations and the North with the objective of eventually covering more than 98% of the national population. In 2014 and beyond, we plan to continue to increase HSPA+ coverage to more communities in the Northwest Territories and Nunavut.

Bell added 25 new LTE markets and reached 80% of the Canadian population by the end of 2013. This is backed up with our 4G HSPA+ network, which covers more than 98% of the population (compared to 97% in 2012); and our enhanced 4G HSPA+ DC (Dual Cell) network reaches more than 87% (compared to 83% in 2012).*

In the summer of 2013, we launched wireless coverage and local numbers in Dryden and Geraldton, Ontario. Our roll-out plans for 2014 include Fort Frances, Red Lake, Atikokan and Wawa as well as connecting highways.

An important aspect of Bell's wireless service, one that increases the value of our wireless devices for Canadians who travel, especially people who want to conduct business all over the world, is the fact that we offer roaming services to more than 220 countries. In addition, over the last year, we have reduced roaming fees by as much as 50% to countries where Canadians travel the most, including the United States, Europe, Mexico, China, Turkey, Australia, New Zealand, Cuba, Japan, Bermuda, and most Caribbean islands.

In addition to our investments in wireless networks, we also continued our aggressive deployment of broadband fibre in multiple new markets in 2013, including the entire City of Ottawa. By doing this, we expanded our Fibe TV footprint by a million households, reaching 4.3M by the end of the year, a 30% increase over 2012. We plan to continue the expansion to reach more than 5M homes by the end of 2014, ultimately reaching 6M households.

At year end, we had 479,430 subscribers to Fibe TV, 93% more than a year earlier, and we added more than 54,000 more in the first quarter of 2014. That continued strong rate of growth is clear evidence that Bell is bringing meaningful competition and consumer choice to markets long dominated by cable providers. Fibe TV also has a significant positive impact on Bell's ability to sustain the growth

of its business, because Fibe TV has a powerful pull-through effect for other Bell services. More than 4 in 5 new Fibe TV customers also take at least one other Bell home product such as Internet or Home Phone.

Through our deferral account initiative, Bell is extending broadband services to 112 rural and remote communities in Québec and Ontario. We will complete our rollout to all of these communities by August 31, 2014. Specifics surrounding the initiative, including which communities would benefit, were approved by the Canadian Radio-television and Telecommunications Commission (CRTC). In 2002, the CRTC established a deferral account mechanism for incumbent local exchange carriers (ILECs). In 2008, the CRTC ruled that the phone companies could use a portion of the remaining money in their deferral accounts to expand rural broadband.

Bell has also put together the largest national network of data centres, providing Bell Business Markets customers with secure ways to protect critical business applications and increase their own productivity through co-location, data management, infrastructure as a service (IaaS) and cloud computing. With our strategic investment in Q9 Networks Inc. ("Q9"), Bell customers have access to 25 data hosting centres in key markets, all linked with Bell's broadband fibre IP networks.

Our 4G HSPA+ network covers more than
98%
of the population

*Statistics include Bell Aliant wireless network coverage.

BELL'S CORE NETWORK

Our national voice and data network reaches all major Canadian metropolitan centres, as well as New York, Chicago, Boston, Buffalo, Minneapolis, Ashburn, and Seattle in the United States.

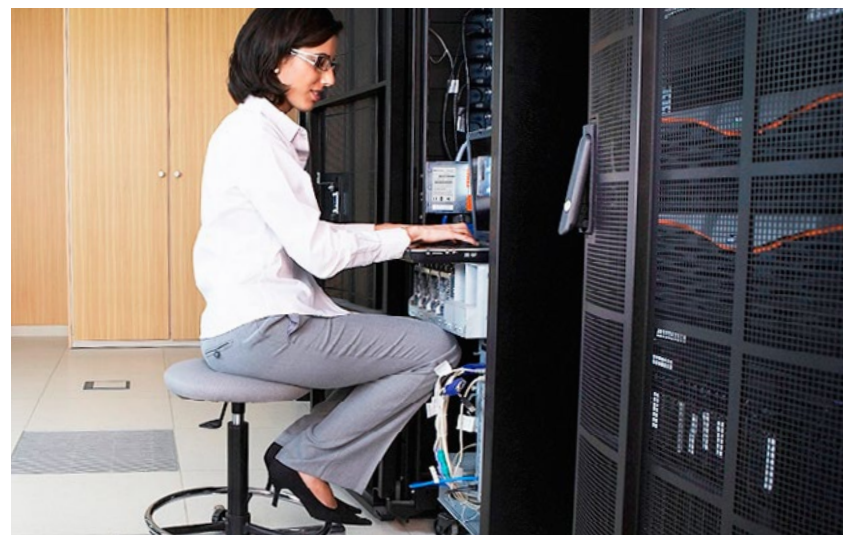
Driven by the development of a vast number of data-dependent applications, plus the insatiable growing public demand for gaming and streaming video, Bell continuously upgrades and grooms its core IP VPN (Internet Protocol, Virtual Private Network) network so that customers can rely on its ability to transmit voice and data between main communications hubs across Canada.

In fact, we are the first Canadian network operator to deliver transmission speeds of 100 Gigabits per second. This super-core technology, which runs between urban central offices, can simultaneously transmit the equivalent of 12,500 HD TV channels or more than 1.5M voice calls.

Because we understand that Canadian business runs on Bell – 95 of the top 100 companies in the country use Bell services – we are committed to continue to maintain IP VPN stability and robustness. That entails not only continuous investment to upgrade performance and maintain network availability at 99.99%. It also means that we rigorously monitor network operation and regularly conduct tests, such as fire drills, to ensure we are prepared for any eventuality and that network survivability is secured.

A substantial portion of our annual capital investment goes to upgrade or expand the fibre optic and transmission equipment in our backbone network in order to address the growing demand for bandwidth for Internet services. We have deployed the next-generation carrier Ethernet platform to address routing and speed limitations and we regularly upgrade hardware and software across all networks to enhance features and resolve issues.

To improve reliability and to increase network capacity to support rapidly growing volumes of wireless and Internet usage carried on our networks, in 2012, we began the upgrade of our fibre-based national backbone network with the deployment of 100 gigabit technologies. As of December 31, 2013, key traffic routes spanning more than 7,800 kilometres across Canada had been upgraded.



We rigorously monitor network operation and regularly conduct tests on our equipments to ensure we are prepared for any eventuality and that network survivability is secured.

In 2013, we grew our wireline broadband fibre footprint to approximately 5.8M locations with the continued deployment of fibre to more neighbourhoods throughout Québec and Ontario, to all new urban and suburban housing developments, and to multiple-dwelling units and key large business customer locations.

CUSTOMERS WITH DISABILITIES

Bell remains committed to supporting customers with disabilities with a dedicated team of agents, specially trained in the entire line of Bell products, services and accessibility options, serving customers through the Accessibility Services Centre. Members of this team are thoroughly trained to understand the barriers that persons with disabilities face in using communications services and to help customers overcome those barriers.

OUR COMMITMENT TO ACCESSIBILITY

As part of Bell's deferral account-related program approved by the CRTC, Bell has assigned \$25.4 million to fund initiatives that improve accessibility for persons with disabilities in the Ontario and Québec serving areas of Bell Canada and Bell Aliant. Over the past several years Bell has worked with various groups and people with disabilities and has introduced a variety of products, services and other initiatives as part of this program. Many of these can be found on bell.ca/accessibility.

Last year the CRTC held a public hearing on Video Relay Service (VRS). The VRS allows people who use sign language as their primary language to communicate easily over the telephone with people who hear in English or French, with the assistance of a sign language interpreter and a video link. Through the

deferral investment and working in cooperation with leading groups representing the deaf and hard of hearing in Canada, Bell invested \$1.2M to produce a world class feasibility study for VRS in Canada. This study formed the basis for the CRTC's decision in April 2014 to mandate the phased roll-out of VRS in Canada. As part of that decision, the CRTC has asked Bell and the

Canadian Association of the Deaf (CAD) to work together to consult with the deaf and hard of hearing community to develop a proposal for an independent VRS administrator that will be responsible for the operation of VRS in Canada. The proposal is scheduled to be submitted to the CRTC in 2014.

In addition to Bell's commitment through the deferral account fund, in the past year there has been an increased focus on wireless technology and people with disabilities. Bell is a member of the [Canadian Wireless Telecommunications Association's](#) (CWTA) Wireless Accessibility Committee, a group created to facilitate discussions on the accessibility of mobile products and services across Canada.

The committee is made up of members of the CWTA plus a variety of Canadian advocacy organizations, handset manufacturers and wireless service providers. The group engages in an open dialogue on issues faced by people with disabilities in the mobile technology space, and looks for real solutions through collaboration between the groups involved. Topics covered by the Committee include accessible products, plans and services, the development of standardized materials, website accessibility/web resources, applications, customer-service practices, testing and new technologies.

Bell is an active participant in this committee.

Our accessibility solutions can help customers with a wide range of challenges, including physical, speech, hearing, cognitive and vision.

All services are fully described on bell.ca.

Solutions for customers with disabilities.



Bell supports its customers with disabilities with a dedicated team of agents, specially trained in the entire line of Bell products.

BUSINESS CONTINUITY

Bell's infrastructure is critical to the health, safety, security and economic well-being of our customers, the government, and Canadians more generally. Recognizing that, we have developed a business continuity planning program as a key component of Bell's meticulous management of operational, financial and reputational risks. We have an unwavering commitment to take all reasonable steps to maintain a state of readiness, with carefully planned proactive and effective responses to any anticipated disruption to the business. In designing our program, we have diligently aligned our actions with industry best practices and international standards.

Our business continuity program has a simple objective: protect customer services and our team members, revenues and reputation. To do this, we continuously prepare for – and develop action plans to mitigate and recover from – emergencies caused by natural, human, technological, operational or social threats to our people, facilities, critical business functions, revenues and systems. To ensure our plans are kept current and regularly tested, we conduct regular business impact analyses. In addition, our Emergency Management Program includes an incident-command system for coordination with other utilities and public safety officials. Under our plan, all Bell team members must complete obligatory "Be Ready" training that provides specific advice for properly responding to emergencies such as fires, earthquakes and bomb threats, thus reducing the risks to their personal safety

and the company's assets. This careful, methodical and thorough approach not only benefits our employees; it also helps safeguard the interests of our residential and business customers and, indeed, citizens of every community in which we operate. Our contingency plans were proof tested in challenging situations 3 times in the last year alone when our teams responded to maintain our services and help our customers recover from the massive crude oil explosion in Lac-Mégantic, the widespread floods in southern Alberta and the crippling ice storm in southern Ontario and Québec just before Christmas.

PROTECTING CUSTOMERS

PRIVACY

Our operations and reputation depend on how well we protect our data centres and electronic and physical records, and the business and personal information stored therein, against unauthorized access or entry, or cyber attacks. The protection and the effective organization of our systems, applications and information repositories are central to the secure operation of our networks and business as electronic and physical records of proprietary business and personal data, such as confidential customer and employee information, are all sensitive from a market and privacy perspective. Any vulnerabilities could lead to system operating failure or information theft, loss or leakage.



The protection and the effective organization of our systems, applications and information repositories are central to the secure operation of our networks and business.

In February 2014, the posting of private information on the Internet resulted from illegal hacking of an Ottawa-based third-party supplier's information technology system. Bell's own network and IT systems were not impacted. In line with our strict privacy and security policies, Bell contacted affected small business customers and collaborated with the supplier as well as law enforcement and government security officials to investigate the matter.

Bell only discloses customer confidential information to government agencies when compelled to do so by a legal authority, such as a court order, statutory power or CRTC tariff. Bell does not voluntarily disclose customer confidential information to government agencies without the customer's consent. The one exception to this rule is in rare emergency situations where: there is an imminent threat to persons or property, it is reasonable to believe that the disclosure of the information will reduce possible harm and it is not feasible for the requesting public authority to obtain a valid legal authority to compel the disclosure in a timely manner. A lost child or a hostage taking are examples where a "voluntary" disclosure may be appropriate.

Our commitment to protect the privacy of customer information is explicitly laid out in the Bell Privacy Policy and reinforced continuously through concrete mandatory action by all employees. The [Bell Code of Business Conduct](#) specifically lays out, among other things, how we safeguard and properly use customer information.

Because their roles bring them into contact with customers and confidential customer information regularly, our customer-facing representatives undergo privacy training to better understand their obligations to protect customer information and to ensure they respect customer rights at all times. We also enforce strict controls on the protection and use of personal information within our systems and websites.

In order to meet demands for greater clarity and transparency with respect to privacy, we've set out key elements of our privacy policy in a simple, easy-to-read privacy statement. The privacy policy and the answers to frequently asked questions are available on our website under [Privacy at Bell](#).

In 2013, we began to collect aggregated demographic data about customers' mobile web-browsing preferences. This information was aggregated so that its use would not identify any individual customer's preferences. This initiative has 2 main benefits: first, using these data, advertisers can ensure they are targeting the most appropriate broad group for their messages; and second, customers receive fewer promotional messages that are irrelevant to them. Customers are free to opt out at any time. We have not released, nor would we ever release, data concerning any individual customer to third parties as part of this initiative. For more details about our Relevant Advertising Program visit: bell.ca/relevant-advertising

The Senate issued its report on the relevant advertising program following Bell's and the OPC's (Office of the Privacy Commissioner of Canada) presentations to a Senate committee in May 2014. The committee had identified privacy concerns, but came to the conclusion that it is satisfied that Bell's Relevant Advertising Program does not reveal the identity of its subscribers to other parties. There were no recommendations for further study or more stringent legislation.

PROTECTION OF MINORS

Bell supports awareness and education for youth and parents on Internet safety through sponsorships of organizations such as MediaSmarts and the Canadian Centre for Child Protection. (For more information on these, please see the Community section of this report.)

WIRELESS HEALTH, SAFETY AND CONSULTATION

The safe operation of Bell's telecommunications sites are critical to the communities in which Bell operates. All of Bell's wireless, broadcasting and radio sites comply with or exceed Health Canada's Safety [Code 6](#) requirements. Similarly, all manufacturers of wireless devices offered by Bell test their products to ensure they meet all applicable guidelines and regulations.

Bell is a member of the [Canadian Wireless Telecommunications Association \(CWTA\)](#) which monitors worldwide scientific research related to mobile technologies. We meet regularly with other carriers through the CWTA's working groups to address potential issues with a view to satisfying community concerns regarding the placement of new telecommunication sites as we continue to expand our networks to address coverage or capacity needs.



RADIOFREQUENCY EMISSIONS

Many studies have been performed to assess whether wireless phones, networks and towers pose a potential health risk. Some studies have indicated that radiofrequency emissions may be linked to certain medical conditions, while other studies could not establish such a link between adverse health effects and exposure to radiofrequency emissions. In May 2011, the International Agency for Research on Cancer (IARC) of the World Health Organization (WHO) classified radiofrequency electromagnetic fields from wireless phones as possibly carcinogenic to humans, but also indicated that chance, bias or confounding could not be ruled out with reasonable confidence. The IARC also called for additional research into long-term heavy use of mobile phones. In its June 2011 [fact sheet on mobile phones](#), the WHO stated that to date, no adverse health effects have been established as being caused by mobile phone use.

As we deploy new technologies, especially in the wireless area, we are mindful that some stakeholders have concerns about the potential long term health effects on customers who use such technologies, including wireless communications devices.

Health Canada is responsible for establishing safe limits for signal levels of radio devices. We believe that the handsets and devices we sell, as well as our network equipment, comply with all Canadian government safety standards. We also rely on our suppliers to ensure that the network and customer equipment supplied to us meet all applicable safety and regulatory requirements.

For more on suppliers, see the Responsible products and services section of this report.



COMMUNITY CONSULTATION

We believe in and practice meaningful dialogue with land-use authorities as part of our efforts to expand our wireless networks. We work with municipalities, provincial and federal agencies, First Nation, Métis and Inuit communities to mitigate local concerns about tower placement, operation and design. Bell complies fully with Industry Canada's guidelines for public and municipal consultation as laid out in CPC-2-0-03, Issue 5, Radiocommunication and Broadcasting Antenna Systems. Before acquiring property for a new telecommunication site, Bell works with community officials to identify local preferences and to review established protocols. Prior to beginning any land acquisition for a new tower site, Bell looks to place antennas on existing structures such as tall buildings and pre-existing towers where technically possible.

As part of our community consultation program, we undertake thorough public consultations for proposed wireless antenna sites with local residents and stakeholders. Bell routinely conducts open houses, public meetings and written consultations in communities across the country to provide information and to understand local views on proposed tower sites.



Bell certifies that all its antenna base-station installations or towers meet or exceed federal Safety Code 6 requirements. In this picture a tower is disguised as a tree and is positioned to blend with the environment.

RESPONSIBLE PRODUCTS AND SERVICES

CHOOSING RESPONSIBLE SUPPLIERS AND THE RIGHT PRODUCTS

Any purchase of goods and services can generate social and environmental impacts. Bell is actively developing and testing uniform supply chain performance tools, including a high-level risk assessment, a corporate responsibility supplier self-assessment questionnaire, and an audit process, including corrective action and ongoing monitoring. Bell considers environmental and social criteria for all its products and services, ranging from energy consumption, recyclability, content value and environmental certifications to attributes related to human and labour rights, health and safety and ethics principles. In 2005, we expanded our procurement policy to include commitment to sustainable development as a supplier selection criterion.

Beyond the supplier approach to responsible business, we also address specific products through our expanding eco-criteria program. Our Fibe TV receivers qualify under ENERGY STAR®, a voluntary government-business program that ensures products meet a premium level of energy efficiency. In 2013, we developed responsible criteria to make sure modems and TV receivers provided by Bell have low footprint and few impacts overall. The same responsible criteria are being or will be implemented in Bell's business units throughout 2014. Our focus will also be on including packaging eco-criteria in contracts.

Since 2011, we have been strongly adhering to a set of responsible criteria for mobile phones and components, including batteries, chargers and packaging. These criteria include the use of toxic substances, recyclability of materials, identification of plastics, energy efficiency, carbon footprint, and conflict minerals.

Bell's procurement policy requires that we seek out suppliers who demonstrate a strong commitment to corporate responsibility through the adoption of rigorous principles regarding the environment, health, safety, labour, and ethics.

All new Bell contracts bind suppliers to adhere to [Bell's Supplier Code of Conduct](#) clearly establishing the expectation that the supplier will take all reasonable measures to respect that code for its own operations and supply chains. Bell uses a detailed questionnaire to assess suppliers during the selection process and to improve the policies of existing suppliers. Bell also verifies all supplier responses and performs a risk assessment (see also Conflict minerals on page 38).



Fibe TV receivers qualify under ENERGY STAR®.



Bell's centralized procurement organization controls the strategic sourcing of goods and services. Among many other activities, this team issues competitive bid requests, negotiates pricing and terms with suppliers and executes corporate supply agreements.

This centralized sourcing approach has several advantages. It enables Bell to obtain the best value through the exercise of its purchasing power. Just as important, the central procurement function ensures adherence to our sustainability objectives, given our insistence that

suppliers demonstrate their own commitment to corporate responsibility.

Bell maintains relationships with a variety of suppliers, including manufacturers, distributors, contractors and consultants. They are largely focused in the following areas: wireline and wireless network infrastructure, information technology, wireless devices, and consumer residential products, business telecommunications products and services, media content, and carrier services.

CONFLICT MINERALS

Many electronic devices contain small amounts of metals – such as tantalum, tin, tungsten and gold – that are derived from minerals known under U.S. laws as conflict minerals because often they are mined in exploitative circumstances. Our practice is to ensure that our suppliers source minerals responsibly and consider as unacceptable the exploitation and trade of minerals that fuel armed conflicts and lead to the abuse of human rights.



Bell began working with other companies from the telecom sector to develop an industry-wide approach to supply chain issues, including conflict minerals, in 2005, in conjunction with the **GeSI** (Global eSustainability Initiative) and the **EICC** (Electronic Industry Citizenship Coalition) Implementation Group. Bell helped develop a supplier self-assessment questionnaire to evaluate a supplier's management systems and practices relating to human rights, labour conditions, health

and safety and the environment. By 2007 we had updated our Supplier Code of Conduct to reflect the broader range of corporate responsibility issues. In 2011, ahead of SEC regulation requiring suppliers to declare use of conflict minerals in their products, we asked our major suppliers and retailers of electronic equipment to implement processes and control mechanisms to avoid the use of conflict minerals in the products they supply to Bell. Close to 60% of suppliers responded that they had a policy or were taking action to address the issue while the mining industry was developing traceability mechanisms to allow smelters and manufacturers to validate that minerals were sourced from conflict free operations.

Since 2011 we have been integrating conflict minerals due diligence into the procurement process. We also closely monitor this matter through our membership in GeSI, which supports efforts to improve the transparency and traceability of minerals in the supply chain through the conflict-free smelter program set up by GeSI and the EICC Extractives Work Group.

Bell does not manufacture electronic products, but we believe that we can have an influence on the supply chain by ensuring we conduct due diligence on such issues.



Since 2005, we have been working with other GeSI member companies to develop an industry-wide approach to supply chain issues, including conflict minerals.

OUR ENVIRONMENT

- COMMITMENT TO ENVIRONMENTAL LEADERSHIP
- VEHICLE FLEET
- BUILDINGS
- COMMUNICATIONS TECHNOLOGY
- REUSING AND RECYCLING
- OTHER ENVIRONMENTAL PROGRAMS



COMMITMENT TO ENVIRONMENTAL LEADERSHIP

A deep commitment to environmental protection is essential to Bell's goal to be recognized by customers as Canada's leading communications company. It aligns with our sustainability vision and with our strategic imperative to achieve a competitive cost structure. Just as important, the commitment to minimize our carbon footprint and instil stewardship of the environment into every aspect of our operations reflects Bell's values. And finally, it is simply the right thing to do for fellow Canadians and for our planet.

We make every effort to be environmentally responsible when deploying and maintaining networks, building our offices and consuming energy and other resources. Bell team members save energy and reduce greenhouse gas emissions by minimizing the time our vehicles are left on idle, increasing energy efficiency at Bell facilities and using Smart Meeting tools such as VideoZone as an alternative to travel. As well, we are visible supporters of broader environmental initiatives such as Earth Hour when most Bell buildings across Canada go dark, along with signs on major venues such as the Bell Centre in Montréal.

For more than 20 years, Bell has implemented and maintained numerous programs to reduce the environmental impact of our operations. Bell has achieved ISO 14001 certification for our environmental management system, the only Canadian telecommunications company to be so certified. Bell also receives many commendations every year for our environmental performance.



MANAGEMENT OF CLIMATE CHANGE ISSUES

Bell has long understood that its products and services help fight climate change by reducing the carbon footprint within Bell's operations and those of its customers. More than that, we understand that adherence to environmental protection initiatives produces positive benefits for the business. Our carbon-reduction efforts produce cost savings in fuel and electricity consumption which align with one of our key corporate strategic imperatives: to establish a more competitive cost structure. Thus, carbon reduction initiatives have a tangible positive effect on Bell's bottom line.

Our understanding was bolstered by the 2006 publication of a landmark study, *Saving the Climate @ the Speed of Light*, by the World Wildlife Federation and more recently by the [Global e-Sustainability Initiative \(GeSI\)](#) and its study entitled *SMARTer 2020: The Role of ICT in Driving a Sustainable Future*. The GeSI study, in fact, estimated that more widespread deployment of information and communications technologies (ICT) would reduce worldwide carbon emissions by up to 15%, or 7.8 Gt of CO₂ equivalent by 2020.



From a long-term perspective, we have made a deep commitment to continue developing carbon-reduction ICT solutions. In 2009, we joined Écotech Québec, which unites key Québec decision makers in the clean technology (cleantech) sector. The aim of this group is to unite and mobilize the cleantech industry around common goals and actions, participate in the “greening” of the Québec economy through sustainable development, and support entrepreneurs in accelerating the design, development, adoption, commercialization and export of clean technologies.

Our approach also includes quantifying risks and opportunities stemming from climate change issues with an eye to leveraging Bell’s products and services to enable carbon reduction. This means identifying the potential impact of severe weather on our operations with the Business Continuity team. That team assesses threats, vulnerabilities and impacts on our business and develops risk-mitigation plans as required. We monitor the potential for current and future climate-related legislation, policy and regulations that may also impact our business in any way and report on these findings to the the Security, Environment, Health and Safety oversight (SEHS) twice a year.

At an asset level, risks and opportunities are assessed by our corporate real estate, risk management and business continuity teams for our buildings, networks and fleet. The buildings and networks are first prioritized by how essential they are to the continued delivery of key telecommunication services. The assessment leads to plans for mitigating risk and improving operations. Natural disasters and energy costs are the most significant issues for our risk and opportunity assessment.

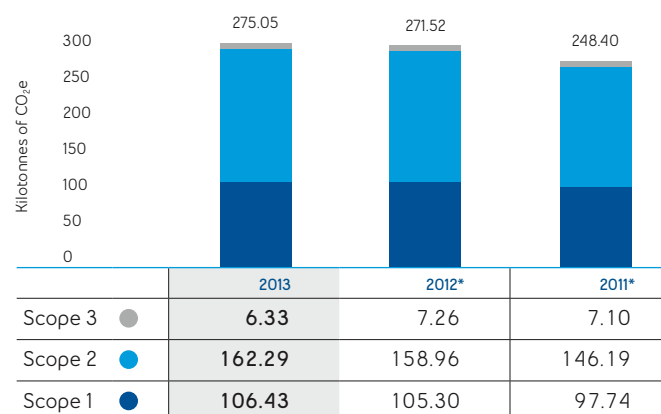
In support of Bell’s climate policy to meet our absolute carbon emission objectives, in 2008 we created the Energy Board committee, a management-level committee reporting to the SEHS. This committee’s mandate is to specifically identify and ensure the implementation of energy-reduction initiatives in our vehicle fleet, buildings, telecom network, IT infrastructure, and business travel program.

Bell’s strategy to align incentives to environmental objectives produces results such as:

- In 2013, we saved 40.36 GWh (40,360 MWh), or 4,760 tonnes of CO₂ equivalent of electricity in our buildings, data centres and networks
- Fuel used by fleet vehicles decreased by 189,344 litres for a total reduction of 432 tonnes of CO₂ equivalent

GREENHOUSE GAS EMISSIONS

It is imperative that our critical infrastructure and facilities be designed to provide a consistent and reliable environment to operate our network and IT infrastructure and to house employees. Our operations depend on how well we protect our networks as well as other infrastructure and facilities against damage from natural disasters, including seismic and severe-weather events such as ice, snow and wind storms, flooding, hurricanes, tsunamis and tornadoes. It is generally agreed by scientists that global climate change could exacerbate certain of these threats, including the frequency and severity of weather-related events. It is also generally agreed that greenhouse gas emissions, especially carbon dioxide, are a major contributor to climate change. As a responsible corporate citizen, Bell takes seriously its responsibility to control its greenhouse gas emissions.



*Bell Canada's greenhouse gas emissions data for the years 2011 and 2012 have been restated using latest emission factors from the GHG Protocol and the Canadian Government's National Inventory Report submitted to the UN Framework Convention on Climate Change

Over the last three years, Bell’s carbon footprint has increased by 9.6% (24 kilotonnes of CO₂ equivalent) overall. The largest portion of this increase is attributable to the growth of our business. This growth is explained in terms of wireline and wireless expansion. While our own footprint is increasing, we help our enterprise customers reduce their energy needs, cut carbon emissions, and enhance productivity by hosting their servers in a very energy efficient environment, and by connecting their devices through our machine-to-machine (M2M) service. M2M services are typically used to optimise fleet management, logistics, distribution and manufacturing processes. Overall this is a net gain for the planet’s carbon load. For more details about the carbon reduction-enabling effect of ICT services please consult the SMARTer 2020 report published by the [Global e-Sustainability Initiative](#).

WIRELINE EXPANSION

In 2013, we nearly doubled our total number of Fibe TV subscribers to 479,430 and Extended our Fibe TV service coverage by 1M homes to reach more than 4.3M households across Ontario and Québec.

Our networks also include the largest collection of data hosting centres in the country. These data centres house services such as managed hosting and cloud computing to the country's largest organizations, and Bell's remote collaboration tools, such as videoconferencing and teleconferencing, all of which are gaining in popularity. While these centres increase Bell's energy use they enable customers to reduce their own energy use.

WIRELESS EXPANSION

We continually expand and enhance our mobile networks to accommodate the increasing demand for bandwidth. This increased demand is driven by the proliferation of smartphones, which enable people to browse the internet, watch TV, and engage in social networking activities all on their mobile phones.

For example in 2013 we:

- Acquired 35% and 38% of total new postpaid gross and net activations, respectively, among the three major wireless carriers
- Expanded the number of smartphone users at the end of 2013 to 73% of our total postpaid subscribers, up from 62% at the end of 2012
- Expanded our next-generation 4G LTE wireless network to reach 80% of the Canadian population coast-to-coast

BELL'S AMBITIOUS ENERGY SAVING OBJECTIVES

In 2008, as a recognized environmental leader, Bell set an ambitious objective to reduce greenhouse gas (GHG) emissions by 159 kilotonnes – or 50% of 2003 levels – by the end of 2020. However, our company has significantly changed since then, and our objective needs to be redefined to reflect our new business reality.

Since 2008, the Bell team has prevented the release of nearly 40 kilotonnes of CO₂ equivalent emissions by reducing electricity consumption at Bell facilities, improving fuel efficiency in company vehicles, and using phone, video and web conferencing tools to curtail business travel.

Bell's Energy Saving program is still strong after 6 years. In 2013, Real Estate, Network and IT energy efficiency projects saved 40.36M kWh of electricity at Bell facilities, enough energy to heat 4,340 homes for a year.

2013 MAJOR ENERGY SAVINGS INITIATIVES

AREA	INITIATIVE
Building electricity	Series of initiatives aiming at optimizing lighting, heating, air conditioning and free cooling.
	Upgrading power plant equipment and eliminating point of presence (POP).
	Removal of the equivalent of 1116 devices by consolidation, optimization and virtualization of servers.
	Removed redundant air conditioners and improving free cooling in shelters. Reduced temperature set points in shelters to minimize heating and cooling requirements. Upgraded the lighting from incandescent to LED in 20 towers.
Fleet	Company fleet fuel consumption was reduced by 1.95% (when compared to 2012) based on continuing renewal of fleet with newer, more fuel efficient models and continuing the anti idling campaign.
Employee travel*	Reduced business travel costs by 13% by encouraging all team members to use the Smart Meeting suite of tools (VideoZone, AudioZone, Live Meeting) as alternatives to travel whenever possible.

* Bell Canada, excluding Bell Media

Bell is fostering innovation and entrepreneurship by our engagement with cleantech clusters such as Écotech Québec, focused on accelerating the development of clean technology. Through such partnerships, Bell aims to support local innovation and to liaise with cleantech entrepreneurs to improve our environmental performance. Within these organizations, Bell leads by example, demonstrating in practical ways the idea that ICT services offer simple and smart ways to improve productivity while reducing energy costs and greenhouse gas emissions by using the following services in our own operations:

- Virtualization and cloud computing that ensure optimal use of space, power and cooling resources by consolidating servers and storage capacities
- Electronic controls coupled to the communication network to reduce energy consumption in buildings
- Telemetry systems for vehicles that reduce idling and optimize the routes of commercial vehicles
- Teleconferencing that reduces travel needs
- Social networks that facilitate carpooling and car-sharing
- Virtual products (books, newspapers, magazines) and electronic transactions

In 2013, Bell and Écotech Québec organized Inno+ sessions which are the equivalent of technical speed-dating events (live and web based). At these sessions, more than 10 companies presented projects featuring an innovative technology to help Bell further improve its energy efficiency. As a result, Bell is working with Carnot, a pioneer in the development of CO₂ refrigeration technologies, on innovative data centre cooling solutions – unique in Canada – that have the potential to reduce significantly Bell's environmental footprint.

SOLAR PANEL ARRAY IN YUKON

In July 2013, Northwestel installed a photovoltaic array on the top of a mountain in the Ogilvie Mountain Range (near the Arctic Circle), at their Engineer Creek site. It was part of an ongoing study in partnership with Yukon College Cold Climate Innovation Centre and the Energy Solution Centre to test if solar panels can be used to power such sites. By partnering with the other centres, we could share the initial costs as well as ongoing research data. In the first 3 months, the solar array produced 2,554 kWh of energy, or 64% of the amount required at the site. This reduced generator fuel consumption by 1,354 litres.



Photovoltaic array on the top of a mountain in the Yukon at Northwestel's Engineer Creek site off the Dempster Highway.

Photo: Fritz Mueller Photography

VEHICLE FLEET

In 2013, we achieved a 2% decrease in net vehicle energy consumption compared to 2012, amounting to 627,000 fewer litres of fuel consumed. That was due in part to consolidation of our fleet which removed 329 net vehicles from the road. Other factors that contributed to these fuel savings include:

TELEMATICS

- Installed on more than 8,700 vehicles, telematics provides vehicle positioning and vital engine information, helping service technicians be more productive by reducing distances driven and fuel consumed. The latest models of telematics units installed in Bell vehicles are able to sense harsh acceleration and excessive speed which are detrimental to fuel economy, providing opportunities to coach employees about safer, greener driving habits

REPLACEMENT

- In 2013 we replaced 230 older vehicles with new, more fuel-efficient models. Our program includes ongoing deployment of more fuel-efficient vehicles. For example in 2013, we replaced 60 2007 Dodge Caravan minivans with 2014 models. Bell Fleet estimates that due to improved engine and transmission technology, fuel efficiency on these new vehicles is 17% better than on the older vans, going from 14.5L/100km to 12L/100km



In 2013, Bell tested a hybrid plug-in passenger car – a Ford C-Max Energy.

Images graciously offered by Robert Chagnon

ANTI-IDLING CAMPAIGN

- Our 2013 anti-idling campaign resulted in a reduction of 2% in idling rates, representing a saving of 220,000 litres of fuel, or about 386,000 kg of reduced CO₂ emissions

ELECTRIC/HYBRID VEHICLE TRIALS

- Bell joined 9 other companies in the largest electric vehicle trial in Canada, managed by Hydro-Québec. Bell's participation was extended to mid-2013 and supports the Québec government's electric vehicle strategy. In 2013, Bell tested a hybrid plug-in passenger car – a Ford C-Max Energy – at our work centre in Laval as part of another Québec government program called EV400. We are also testing the regular hybrid C-Max with 7 vehicles in Ontario and 6 in Québec. At the end of 2013, we had 37 vehicles in our hybrid fleet and we continue to explore the potential of electric and hybrid vehicles to meet the demands of the work we do while minimizing our environmental impact



Bell trailer which has an 80-watt solar panel that enables recharging of a 12-volt battery.

VEHICLES WITH SOLAR PANEL

- Bell's fleet also includes vehicles with solar panels such as this trailer which has an 80-watt solar panel that recharges a 12-volt battery that powers work area lights and safety lights to direct traffic around the trailer when it and its 4 portable generators are deployed in emergency situations. We have 35 such trailers currently being built to replace older models

BUILDINGS

Reflecting our vision to remain an industry leader, Bell actively works to obtain environmental assessments and certifications for buildings. We have received BOMA BEST certifications for 42 buildings we occupy: 17 in Québec, 22 in Ontario, 1 in British Columbia and 2 in Alberta. Additionally, 9 Bell buildings have achieved the prestigious BOMA BEST levels 3 or 4, and 1 was awarded the BOMA Earth Award in 2011.

Prior to 2013, Bell proactively obtained 3 LEED certifications: LEED-NC Certified (Montréal), LEED-NC Silver (Mississauga) and LEED-EB GOLD (Toronto). The Montréal Nuns' Island campus is the largest corporate LEED building in Québec. At the end of 2013, we obtained LEED-NC GOLD for our data centre in the Gatineau area. It is designed to be in the top 2% of data centres in North America for the most effective use of power, using green hydro power on a grid separate from most National Capital Region users. It also complies with the strictest security standards, including the use of advanced biometric access controls.

The data centre in Markham, Ontario uses power from a local district energy utility, which produces emergency power and cold water on a massive, highly efficient scale, augmented by a solar array on the roof of the data centre. It also repurposes the cold water used to cool equipment in the centre by returning the now warm water to the community where it is used to help heat nearby schools and community centres.

20,160

Bell employees
work in buildings
certified BOMA
BEST or LEED

20,160 employees work in buildings certified BOMA BEST or LEED, representing 57% of the Bell workforce located in office buildings, switching centres and work centres. Overall, 1.7M square metres of Bell's occupied space is certified, representing 73% of all buildings space owned or leased by Bell. Every working day, we could fill the seats at the Bell Centre with all the employees working in ecofriendly workplaces equivalent to more than 1000 ice hockey rinks.

Our target over the next 4 years is to work collaboratively with landlords and facility managers to renew certifications for 42 buildings and to certify additional buildings we own or lease. This will ensure that we continually increase the number of employees working in a certified building.



Cafeteria area at the Nuns' Island Campus in Verdun.

COMMUNICATIONS TECHNOLOGY

Bell limits its carbon emissions by using its technologies to reduce its own team travel and consumption of energy and material resources.

VIRTUALIZATION

Virtualization enables a new approach to enterprise computing – consolidated and optimized, with the data centre as a service delivery centre. Virtualization helps businesses address challenges by optimizing budget, space and infrastructure, consolidating servers and storage, and providing more efficient and cost-effective power and cooling. Our solutions include application delivery and virtual desktop, server consolidation and unified networks, as well as storage virtualization. These solutions are also proven Green IT solutions. Bell partners with greenhouse gas management specialists to help reduce emissions, demonstrate environmental and social responsibility, and achieve economic returns and operational efficiencies.

Through consolidation and virtualization, we optimized 50% of physical servers; 30% were transformed into virtual machines and an additional 20% were decommissioned. This reduced capital requirements and saved approximately 4,450,000 kWh – enough energy to heat 2,129 households for a year. That also resulted in a year-over-year reduction of 525 tonnes of greenhouse gas emissions.

CONFERENCING SOLUTIONS

Audio conferencing solutions provide a quick, convenient and cost-effective way to communicate with multiple people simultaneously, improving efficiency and helping reduce the need for travel at the same time. There are also business continuity benefits to working from anywhere when an unforeseen incident prevents access to the workplace.

In 2013, Bell team members held more than 129,630 VideoZone conferences, 871,595 AudioZone calls, and a monthly average of 45,000 Live Meeting sessions. Those same technologies are helping our customers address their own environmental protection and cost-reduction priorities every day.



In 2013, Bell team members held more than 871,595 AudioZone calls.

ELECTRONIC BILLING*

We issued 39.1% of bills electronically in 2013, an increase of 32.5% over 2012 and more than 10% above our objective. This reduction in paper consumption saved approximately 45,500 trees which have the potential to capture approximately 5,755 tonnes of CO₂. The balance of our bills was printed on paper certified by the Forest Stewardship Council. We continue to promote paperless billing, automatically registering new customers to electronic billing. Our 2014 objective is to increase e-billing to 46% of all bills.

EBILLS

	2013	2012	2011
% of total bills	39.1%	29.5%	22.6%
Objective	35%	28.4%	24%

* Data updated August 15, 2014.

REUSING AND RECYCLING

OVERALL RECOVERY

To minimize the amount of waste we produce, Bell runs several programs to reduce, reuse, recycle or use as fossil fuel substitutes the products and materials required to operate our business.

In 2013 our diversion rate decreased by 1.8 percentage points to 69.9%. This is mainly due to a reduction of network battery removal projects that significantly decreased our recycling weight. In addition, the increased recovery of fibre optic cables that currently cannot be recycled has increased the tonnes sent to landfill. This presents a challenge to reach our 2016 target of 75%.

To reach our target, we will improve awareness and opportunities in each function that generates residual material. For instance, we will expand current best practices and work with operations to improve our processes, minimize waste in the office, increase the recovery of materials for reuse and recycling of operational equipment in our work centres, and improve the recovery of electronics used internally and distributed to our customers.



FUNCTION	BELL CANADA 2013			BELL CANADA 2012		
	Recycling / valorisation (metric tonnes)	Landfill (metric tonnes)	Diversion rate	Recycling / valorisation (metric tonnes)	Landfill (metric tonnes)	Diversion rate
Office	2,792	2,603	52%	2,783*	2,519	52%
Operations	10,422	3,945	73%	10,632**	3,720**	74%**
Customer Facing	2,027	0	100%	2,416***	0	100%
Overall	15,241	6,548	69.9%	15,831	6,239	71.7%

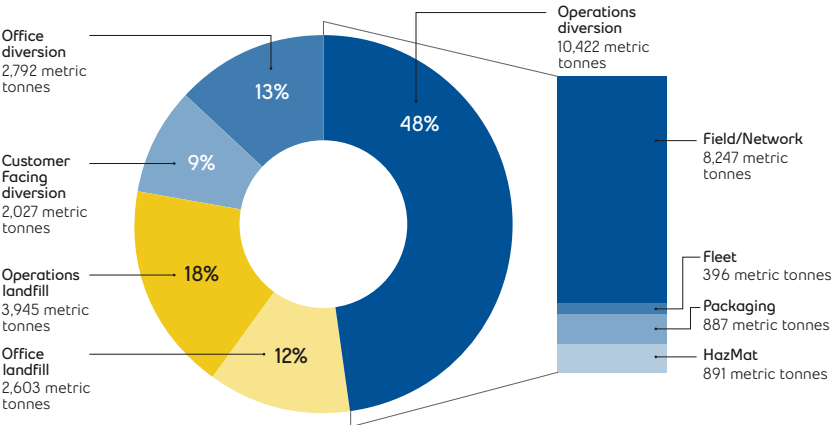
* Office: In 2013, we realized that the data provided for computer and peripheral recycling was already counted in the operational data. 2012 data was readjusted in this report

** Operations – network equipment: In 2013, Bell Technical Solutions provided data for work centres that increased the tons of equipment recovered. The 2012 data has been adjusted in this report using the 2013 proportion (Bell Technical Solutions/Total)

*** Customer Facing: In 2012, the quantity of receivers and modems reported did not include refurbished equipment. The 2012 data has been adjusted in this report to reflect receivers and modems refurbished in 2012

RESULTS BY FUNCTION (TONNES)

2013 diversion rate: 69.9%



Total Bell Canada Residual Materials = 21,789 metric tonnes

OFFICE

Bell's reuse and recycling programs address residual materials such as paper, cardboard, glass, steel, aluminium and organic matter. Employees are encouraged to bring all residual materials to central locations, called Sort-It stations, where they separate materials into labelled collection bins.

In 2013, we collected 5,395 tonnes of material from office operations, of which 2,792 tonnes was diverted from landfill. Our office diversion rate remains stable at 52%.

We reused and recycled 150 tonnes of computers and peripherals and 9.9 tonnes of toner cartridges, an increase of 43% and 25% respectively over 2012. In 2013, we donated to charitable organizations a total of 101 tonnes of recovered furniture valued at \$186,290.

OPERATIONS (FIELD, FLEET AND NETWORK)

Bell has been recovering residual materials from operations for more than 3 decades. Reuse and recycling programs cover residual materials such as telecommunications cable, terminals, utility poles, cable reels and wood pallets produced by Field, Fleet and Network activities.

In 2013, we collected 14,367 tonnes of material, from which we diverted 10,422 tonnes (73%). That is a decrease of 1% from 2012, mainly due to a reduction in Network battery removal projects that significantly decreased our recycling weight. Another reason for the decreased diversion rate is the increased recovery of fibre optic cables that currently cannot be recycled and the challenge of finding ways to recycle other types of low-value materials such as wood and polystyrene.

We support the Centre de formation en entreprise et récupération (CFER), a training school that provides useful skills in recovery and refurbishing to young people without a secondary-school education. CFER collects and sorts recyclable materials generated at 14 of our work centres in Québec.

We collect tires, batteries, oil and filters, used engine antifreeze and cleaning solvents from fleet vehicles for recycling, totalling 396 tonnes of materials in 2013.



Using the Sort-It stations, employees can recycle paper, cardboard, glass, steel, aluminium and even organic matter.

PRODUCT STEWARDSHIP

Bell helps its customers protect the environment by making it easier for them to recycle their mobile phones, Bell Internet modems and Bell TV receivers. With the participation of our customers, Bell diverted more than 2,001 metric tonnes of electronics from landfill in 2013.

Aligned with the Canadian Wireless Telecommunications Association's Recycle My Cell program, Bell's mobile phone take-back programs have recovered more than 1.42M mobile phones and 116 tonnes of batteries and accessories since 2003¹. Bell was the first company to establish a cross-Canada collection program for re-using and recycling mobile phones. Available at all Bell and Virgin Mobile stores and at participating The Source locations, the Bell Blue Box program donates the net proceeds to the Canadian Mental Health Association, a partner in the Bell Let's Talk initiative.

Bell also recovers mobile phones by providing customers with credits toward the purchase of a new device when they turn in their usable old phones. Bell promotes its recycling programs in several ways, including:

- Mandatory online courses for all store employees
- In-store recycling posters
- The Bell.ca/recycling website
- Facebook and LinkedIn promotions

Bell also participates in provincial recycling programs for other electronic products, such as tablets, headsets, TVs and computers. For more information, please visit Bell.ca/recycling.

ITEM	TREND	AMOUNT COLLECTED IN 2013	AMOUNT COLLECTED IN 2012
Mobile phones	↑	194,955 units	71,141 units
Batteries	↑	2.62 tonnes	1.062 tonnes
Accessories	↑	3.4 tonnes	1.760 tonnes
Modems	↑	640,486 units	588,199 units
TV receivers	↑	719,406 units	551,856 units

¹ Includes used mobile phones collected from customers and from our surplus inventory

PARTNERSHIP WITH LOCAL ENTERPRISE TO REDUCE E-WASTE

In April 2014, Bell began a partnership with Electrobac, a young Montréal business that will roll out a network of smart collection bins for electronic waste throughout Greater Montréal.

Electrobac's mission is to reduce the volume of obsolete electronics sent to landfills each year. The smart bins will be installed on university campuses, in grocery stores, in office buildings, in shopping centres and at other high-traffic locations. This service is an example of the carbon-reducing effect of ICT. Specifically, the machine to machine (M2M) capability of the bins to communicate with the central office eliminates the need for physically deploying vehicles to each location to determine pick up requirements.



WATER

Although Bell's activities have only a minor impact on water resources compared to companies such as heavy manufacturers, Bell acknowledges that the availability of drinking water is a growing concern in many communities. Bell believes that increasing employee awareness is an effective way to reduce water consumption in the workplace. As well, we are benchmarking industry best practices for water governance programs.

In 2013, we continued to improve our understanding of our water consumption across all sites and we continued to define a policy on sustainable water management. We analyzed the data from high water-consumption sites targeted in Ontario, paying particular attention to water consumption and water saving opportunities and recommendations. We are using the study's conclusions to define our program. We will also use these conclusions to develop a multi-year plan to improve water consumption data accuracy.

We aim to establish a formal and auditable methodology to produce an annual report disclosing the yearly water consumption, water reduction initiatives that were undertaken, water consumption variations and reduction objectives for the following year.

CONSUMPTION TYPE	ESTIMATED ANNUAL WATER CONSUMPTION (M ³ /YEAR)*		
	2013	2012	2011
Office	523,989	542,386	503,346
Operations	816,941	814,113	778,827
TOTAL	1,340,930	1,356,499	1,282,173

* Excluding The Source and by Northwestel

BIODIVERSITY AND INTEGRATION INTO THE PHYSICAL ENVIRONMENT

In our Corporate Environmental Action Plan, Bell recognizes that the first step to protecting the environment and species at risk is to try to avoid sensitive locations.

Bell stopped using pesticides for aesthetic purposes on its properties in 2002, ahead of legislation. We conduct environmental assessments of network projects and apply mitigation measures to minimize any potential impact on natural habitats and obtain regulatory approvals as required. These include projects in environmentally sensitive areas such as wetlands, waterways, provincial and national parks and First Nations reserves. For instance, we avoid the use of treated wood poles in sensitive natural areas, using cedar poles instead. Pole suppliers must comply with responsible purchasing policies for forest products and deliver to Bell only products that are sourced from sustainably managed and certified forests.

Network projects conducted by Bell and its subsidiaries can have an impact on the natural environment and the human environment. Considering the vast extent of its territory and the numerous environments affected by its network, Bell thoroughly studies each network project and analyses the potential impacts it can have on the environment. When planning and preparing Network projects, legal frameworks at the federal, provincial and municipal are considered. Bell has developed an internal program that aims at evaluating and integrating each of the Company's current practices and procedures in order to systematically reduce the impacts of network projects on the environment. The evaluation process is mainly intended for project managers and applies to all the steps of a project, including the planning, design, construction, maintenance and decommissioning of installations. The program is supported by an internal procedure which summarizes the steps that must be followed to identify legal authorizations required when the company conducts construction or maintenance work in environmentally sensitive regulated areas.

In 2013, Bell Media replaced four antennas on Trial Island (British-Columbia). This island is an ecological reserve where mitigation measures were applied to protect endangered species. Work was performed during the months of July and August because the endangered plants are usually dormant during these two months. A specialized botanist indicated rare species by flagging each visible plant along the traveled area. Species at risk found on the existing paths were to be protected with plywood.



Camouflaged wire box chemin Kildare et Rembrandt in Côte St-Luc, Montréal.



Camouflaged wire box in Yitzak Rabin Park, Côte St-Luc, Montréal.

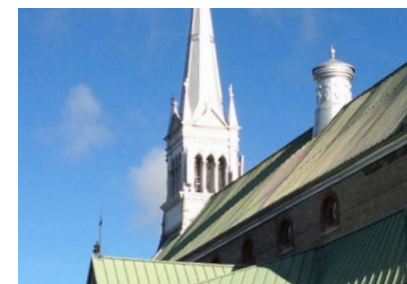


A "before and after" picture of floral camouflage at the corner Louis Pasteur and Freud in Côte St-Luc, in the Montréal area.

With growing demand for high speed internet access, wireless connectivity, and other broadband services, integrating network elements in the natural and urban environments is becoming a challenge. Bell works hard to ensure its network infrastructure is well-integrated into the physical environment so that communities can enjoy the quality of service while avoiding collateral inconveniences of the visual and functional impacts of the equipment providing such services.

In 2013, Bell began offering camouflaged and decorated equipment and wire boxes to municipalities. The new designs are made with anti-UV and anti-graffiti plastic film. This film can be installed on all the surfaces of the boxes and is easily washable with soap.

Other examples of integration into existing infrastructure are the installation of cell sites on existing utility poles or clock towers. In the picture above Bell Mobility painted the antennas on the tower in Alexandria, Ontario so that they blend into the surface of the steeple.



Bell looks to place antennas on existing structures such as tall buildings and pre-existing towers such as churches.

OTHER ENVIRONMENTAL PROGRAMS

BELL MEDIA

The newest member of the Bell team shows leadership in environmental performance. Before joining Bell Media, the former Astral Media had put forward initiatives to reduce energy consumption that included decreasing the temperature in offices outside of work hours, lighting controls, and supporting employee travel by bicycle. In addition, initiatives concentrated on reducing consumption of resources, such as replacing water bottles with reusable mugs, implementing a double-sided printing policy, recovering ink cartridges and used batteries, and giving away old computers.

At Astral Out of Home, numerous environmentally friendly design, installation, and maintenance features for street furniture in Toronto have been implemented. The transit shelters in Toronto are a good example of initiatives addressing energy consumption, materials, and waste. Most of the materials used in the transit shelters are typically sourced with significant percentages of recycled content. 36% of a shelter is made of aluminum, of which 51% is acquired from recycled sources. Overall, 31% of a transit shelter is made from recycled materials. Moreover, materials are sourced sustainably and locally as much as possible. Security lighting in the shelters is LED, saving up to 75% of energy, and advertising lighting (using high efficiency ballasts) saves 139,181 kWh every month compared to traditional lighting. Since the initiative was introduced in 2007, 1.7M kWh – enough to power more than 180 typical households – has been saved. Additionally, photocell systems which shut off shelter lighting when there is sufficient daylight, contribute to an estimated 50% energy savings. Finally, 35% of Astral's transit shelters in Toronto are equipped with photovoltaic panels. Since 2007, such panels have made it possible to reduce greenhouse gas emissions by 112 tonnes of CO₂ equivalent.



ENVIRONMENTAL SITE ASSESSMENTS

We conduct environmental site assessments and remediation projects where necessary to minimize soil and groundwater contamination, reducing our exposure to environmental liabilities. Assessments occur during real estate transactions, upon the discovery of a contamination, or at the end of an operational activity that may have contaminated a site.

PETROLEUM STORAGE TANKS

Bell owns 2,131 petroleum storage tanks that provide fuel to heat buildings or to run emergency generators for its telecommunications equipment; 89% of tanks are above ground, 11% underground. We manage and monitor our petroleum storage tanks and equipment to maintain their integrity and prevent accidental spills. We perform annual inspections on every tank and conduct compliance audits as required by regulations. Bell's tank standards generally surpass regulatory requirements.

OZONE-DEPLETING SUBSTANCES (ODS)

In 2013, Bell registered 79 more ODS leaks than in 2012, an increase of 22%. Consequently, we also experienced a growing quantity of refrigerant released: 1,613 kg more than in 2012, up 32%. To address this and to control any future impact, we initiated an analysis of the root cause and the equipment life cycle.

To protect the ozone layer and minimize ODS usage in its own operations, Bell participated in the development of an innovative air conditioning system using compressed CO₂ as a refrigerant. As well, all business units throughout the company are engaged in developing a 5-year plan to phase out the use of HCFC-22, in line with government and industry recommendations.

ENVIRONMENTAL INCIDENTS

At Bell, we take great care to manage incidents and act to correct the root cause of problems. We provide support for the reporting, control and remediation of all environmental incidents regardless of the quantity spilled or the level of impact, whether it occurs on or away from our own premises.

In 2013, Bell continued to increase the awareness and commitment of its employees to report environmental incidents. This led to an increase in reporting by employees who witnessed incidents.

Overall, we recorded a 20% increase in the number of incidents in 2013 compared to 2012. This result can be explained by two potentially key factors: 1) the increase in ODS releases caused by the aging of HVAC systems; and 2) the awareness campaign that reinforces for all operational teams the importance of reporting any incident.

In 2013, we had no material environmental incidents or infractions. As well, no environmental infractions resulted in fines.

Over the course of the year we had:

- 497 spills and releases reported by our employees, 89% of which were related to leaks of ozone-depleting substances from air conditioning systems. Of the total, 446 (90%) were below government reporting thresholds
- 4 notices of environmental infraction (administrative in nature, or with minor environmental impact)
- 14 concerns reported by a third party
- 559.6 litres of hydrocarbons spilled from vehicles and generators
- 7.3 litres of corrosive liquids spilled from network equipment
- 6,633.9 kg of refrigerant released from our air conditioning systems

These incidents had limited or no impact on the environment, and were addressed diligently and in compliance with all regulatory requirements.

ENVIRONMENTAL TRAINING

Through a continuous improvement process, Bell is committed to environmental protection as an integral part of doing business. That commitment begins with the awareness and training we provide to team members on proactive management of our impact on the environment. All employees, as part of the hiring and orientation process, are required to sign that they have read the Bell Business Code of Conduct, ensuring that they are all aware of the corporate environment policy which is part of that document. Throughout the year, we also communicate our corporate environmental objectives and performance to employees through the corporate newsletter, our dedicated website, and through events such as Earth Hour, Earth Day, and Canadian Waste Reduction Week.



In addition, awareness for environmental impact comes from an online training tool, updated and managed by the Corporate Responsibility and Environment team. This training covers the regulatory requirements and environmental procedures Bell employees must follow. In 2013, 9,252 team members received such training, totalling an estimated 18,551 hours.

	TREND	2013	2012
Total number of employees trained	↑	9,252	8,378
Money spent, estimate (salary K\$)	↑	1041.1	751.1
Time estimated (hours of training)	↑	18,551	12,592

Training topics include (but are not limited to) an introduction to climate change, the impact of our operations, how to properly manage network recyclable materials, how to properly manage manhole effluents, and hazardous material recovery. The training is to be completed every year by employees whose tasks are likely to have an impact on the environment

OUR WORKFORCE

- WORKPLACE
- DIVERSITY AND INCLUSION
- WORKPLACE MENTAL HEALTH
- EMPLOYEE DEVELOPMENT
- OTHER WORKPLACE INITIATIVES



WORKPLACE

CANADIAN EMPLOYMENT STANDARDS CONTEXT

Bell operates in a highly regulated labour market in which most workers are protected by federal and/or provincial employment-standards legislation that covers areas such as hours of work and overtime pay, minimum wage, pay, vacation time and vacation pay, public holidays, coffee and meal breaks, pregnancy leave and parental leave, personal emergency leave, family medical leave, termination notice and termination pay. In many cases, Bell's policies and programs exceed minimum legal requirements.

Bell focuses on employee development and diversity topics. Because of the size of Bell's operations, the technical complexity of our business, and the intense competitive environment, we must attract, retain and motivate the highest calibre employees – from senior executives to highly specialized technicians – to sustain our company by successfully advancing on our corporate goal.

BEST PLACE TO WORK

Our equitable workplace respects and values the contributions of all employees and our policies support respectful accommodation in the workplace. We are committed to strict standards for workplace safety, equity and diversity, and provide office environments that promote collaboration and productivity. Our compensation policies reward achievement through a pay-for-performance culture and recognition programs for extraordinary effort.



Creekbank Campus in Mississauga, Ontario.



OUR WORKFORCE

Bell's employee base grew from 48,800 at December 31, 2012 to 49,545 at the end of 2013, due primarily to the acquisition of Astral Media Inc. as well as an increased workforce in our Field Services and Network Operations to support ongoing Fibe TV roll-out and service quality initiatives. We continue to limit executive hires. In fact, even with the addition of Astral, CTV, The Source and Virgin Mobile, we have fewer executives today than 5 years ago.

ENGAGING WITH UNIONS

Unions engage with management regularly in the collective bargaining process. In 2013, we signed 19 collective agreements covering 6,933 team members. As well, ongoing committees monitor progress on specific issues such as sales incentives. Since 2012, the unionization rate has gone from 44% of the total Bell workforce to 41%. That is primarily due to the Astral integration.

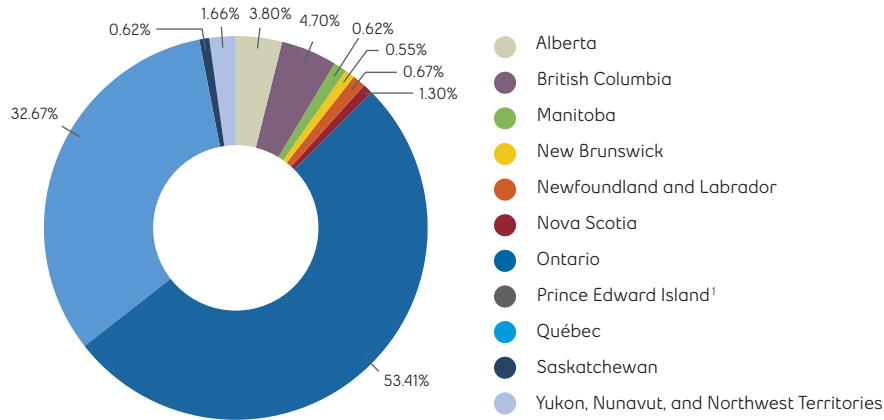
	2013	2012
Number of employees – year end (in thousands)	49.6	48.8
Unionized employees at Bell (%)	41	44
Voluntary turnover and retirement rate (%)*	11	12

*Bell Media and subsidiaries excluded

MOST OF BELL'S EMPLOYEES ARE LOCATED IN ONTARIO AND QUEBEC

BREAKDOWN OF EMPLOYEES BY PROVINCE

DECEMBER 31, 2013



¹ The proportion for PEI is too small to be graphically visible here

LEADING EMPLOYER

For the second year in a row, Bell is proud to have been named one of Montréal's Top Employers for 2014 in the annual awards organized by editors of Canada's Top 100 Employers, a Mediacorp Canada publication. Mediacorp cited a variety of reasons for recognizing Bell, including its leadership in workplace mental health through the Bell Let's Talk initiative. Bell was further recognized for:



- Comprehensive professional development, a broad range of in-house and online training programs, apprenticeship opportunities and tuition subsidies for job-related courses
- Significant investment in community organizations and strong support for employee participation in volunteer programs
- A campus environment that offers an employee lounge, a cafeteria with healthy menus and a state-of-the-art fitness facility with subsidized membership

DIVERSITY AND INCLUSION

Bell is committed to fostering an inclusive, equitable and accessible environment, where all employees and customers feel valued, respected and supported. We are dedicated to building a workforce that reflects the diversity of the communities in which we live and provide services, and where every team member has the opportunity to reach their full potential.

Bell strives to engage and inspire its team members to foster inclusiveness at work through online diversity training, cultural awareness days and national mental health awareness campaigns. The company's intranet site provides extensive information to all employees on events and programs that celebrate diversity and how they can contribute to a workplace where everyone can achieve their full potential.

Each year, Bell reports to Employment and Social Development Canada (ESDC) under the Employment Equity Act on the workforce makeup of four designated groups: women, members of visible minorities, persons with disabilities and Aboriginal peoples. Bell also conducts regular demographic analysis on its workforce to determine where opportunities to increase representation of these underrepresented groups exist and seeks to positively influence long-term trends in recruitment, hiring and promotions of diverse candidates.

WORKFORCE DIVERSITY* (%)

	WORKFORCE LABOUR MARKET AVAILABILITY**	WORKFORCE		SENIOR MANAGEMENT LABOUR MARKET AVAILABILITY**	SENIOR MANAGEMENT***	
		2013	2012		2013	2012
Women	37.0	39.6	39.1	21.2	22.7	23
Members of visible minorities****	16.5	14.8	15.5	10.8	4.3	4.3
Persons with disabilities****	4.4	1.5	1.5	3.2	0.7	1.4
Aboriginal peoples****	1.7	0.9	0.9	0.6	0.7	0.7

* Includes companies covered by the Federal Employment Equity Act (Bell Canada, Bell Mobility, Bell TV, Bell Media), but excludes Bell Technical Solutions and Expertech

** Occupational labour market availability indicates the percentage of persons in each designated group in the Canadian workforce that may have the skills necessary to fill occupational roles at Bell. Percentages are calculated on the most current information available. The data is provided to Bell by the Canadian Government, and is based on 2006 census data

*** Vice Presidents and above

**** Data for these categories depend upon full-time and part-time employee self-identification in the Diversity Questionnaire

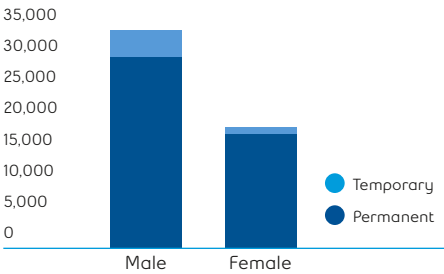
Bell's diversity and inclusion initiatives include a focus on several areas outside of the four designated groups including the LGBT community, promoting bilingualism and proactive recruitment of veterans.

HUMAN RIGHTS

In our goal to meet the diverse needs of all employees, Bell continues to partner with other leading employers and the Canadian Human Rights Commission to facilitate the advancement of human rights in the workplace. Managers are provided with clear guidelines to support respectful accommodation practices and our commitment to values closely aligned to human rights and diversity are embedded in our culture and reinforced to all employees via Bell's Code of Business Conduct.

WORKFORCE BY EMPLOYMENT CONTRACT AND GENDER

December 31, 2013



WOMEN AT BELL

Established in 2007, the Women at Bell program supports the development of the female talent pipeline and promotes gender diversity at Bell and in the broader business community. Part of our commitment to making Bell one of the best places to work, Women at Bell offers a range of events and networking opportunities with Bell and industry leaders.

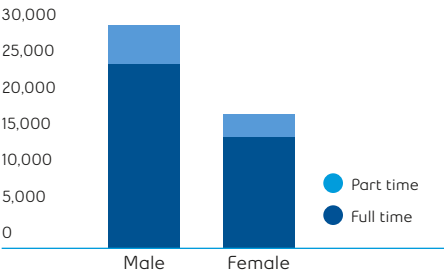
The program supports leadership development initiatives designed to cultivate future women leaders and Bell Leadership Circles that encourage open dialogue among senior leaders and team members on a wide range of development topics.

The Women at Bell program is divided into 3 pillars, each led by an executive: career development, external visibility and internal events.

PILLARS	OBJECTIVES
Career development	<ul style="list-style-type: none"> Develop women leaders at all levels, giving them the confidence and leadership presence that will ensure their voices are heard and their ideas are fully considered Provide varied and meaningful development opportunities for women employees
External visibility	<ul style="list-style-type: none"> Leverage Bell's community involvement and professional affiliations
Internal events	<ul style="list-style-type: none"> Provide opportunities and activities to help women develop as leaders as well as showcase successful women leaders Provide networking opportunities for individuals from different business units

PERMANENT EMPLOYEES BY EMPLOYMENT TYPE AND GENDER

December 31, 2013



Women at Bell is involved with a range of external organizations such as Catalyst, the Women's Executive Network and Women in Communications and Technology (WCT). Bell leaders such as Martine Turcotte, Vice Chair, Québec, Mary Ann Turcke, Executive Vice President, Field Operations, and Karen Sheriff, President and Chief Executive Officer, Bell Aliant, have been honoured by these groups.

LGBT AFFINITY GROUP

Bell's Lesbian, Gay, Bisexual and Transgender (LGBT) Affinity Group is an employee-led initiative established in 2009 to support a culture that makes Bell one of the best places to work. The LGBT Affinity Group hosts events with industry leaders such as Pride at Work Canada and the Chambre de commerce gaie du Québec, focused on the importance of LGBT-inclusive workplaces.

The LGBT Affinity Group pursues 3 objectives: increase internal awareness, promote external visibility and provide employee support.

PILLARS	OBJECTIVES
Increase internal awareness & support	<ul style="list-style-type: none"> Drive awareness and education Organize provincial events focused on connection, networking and education
Promote external visibility	<ul style="list-style-type: none"> Leverage community involvement and professional affiliations Actively participate in external events representing Bell in the community Volunteer in community activities as ambassadors of Bell
Employee support	<ul style="list-style-type: none"> Provide a resource centre for LGBT employees and allies

WORKPLACE MENTAL HEALTH

In 2013, Bell continued its pursuit of developing and implementing leading mental health practices in our workplace. Our various workplace initiatives, firmly rooted within the Bell Let's Talk mental health initiative, continued to create awareness, educate and improve processes to further fight the stigma related to mental illness. They also helped manage workplace mental health effectively to achieve an overall healthier and more productive workplace.

Our objectives mainly focus on four areas.

WORKPLACE MENTAL HEALTH OBJECTIVES
• Leading by example to promote a mentally healthy workplace
• Developing best practices in collaboration with corporate Canada and health experts
• Delivering continuous improvement aligned with the National Standard for Psychological Health and Safety in the Workplace
• Raising awareness of mental health issues among team members

EXPANDING MENTAL HEALTH TRAINING ACROSS THE ORGANIZATION

Our managers have been trained on mental health and serve as a foundation to create a sustainable culture of support. In 2013, Bell targeted its efforts to train all new managers who joined the team and is currently expanding the training, on a voluntary basis, to all Bell union representatives and Health & Safety committee members. To date, close to 6,000 leaders have attended the training, making Bell's leadership team the cornerstone of culture change and support.



In response to leader requests for additional practical training, in 2013 Bell partnered with Morneau Shepell to create a 3-module training program, which will lead to a certification from

Queen's University for those completing the program. This training deepens managerial skills, further strengthens areas of prevention and integrates certain elements from the National Standard. The roll-out of this training program is planned for early 2015.



EMPLOYEE AND FAMILY ASSISTANCE PROGRAM (EFAP)

Our efforts to ensure team members are aware of the resources available to support them through the EFAP program are paying off in increased use of the program. Since we launched our workplace mental health initiative, use of our EFAP has grown from 12% of our employee base in 2010 to 20% in 2013.

EFAP resources include various counselling methods, ranging from e-counselling to over the phone and face to face with accredited professionals. Reaching out for help has never been easier.



Canadian Mental Health Association
Mental health for all

Association canadienne pour la santé mentale
La santé mentale pour tous

INCREASING AWARENESS

In addition, we provide many resources for educating team members on our workplace mental health program, including:

- Ongoing communications, events and special employee activities that promote awareness during Mental Health Week, Mental Illness Awareness Week, National Suicide Prevention Day and Bell Let's Talk Day. Since 2011, Bell has organized more than 500 mental health events for team members across Canada, including seminars, workshops, information kiosks and keynote speakers
- The Bell Let's Talk website on our intranet continues to provide easy access, centralized tools and resources for team members to learn, participate and stay informed. It provides access to comprehensive mental health resources, including articles, videos and training

NATIONAL STANDARD FOR PSYCHOLOGICAL HEALTH

Bell supports and promotes the adoption of the National Standard of Psychological Health and Safety in the Workplace across corporate Canada. Bell is advanced in its implementation of the National standard and has completed many milestones including:

- Launching a formal mental health policy
- Implementing a rigorous governance structure, reporting to the BCE Board of Directors. This group monitors risks annually and reviews progress on a quarterly basis through a formal scorecard
- Completing the first cycle of our mental health management system

Bell's recent progress received additional recognition in 2013. Excellence Canada, a non-profit national organization that promotes workplace best practices across a range of industries, honoured Bell with the Silver Award for Mental Health at Work in recognition of our exemplary commitment to workplace mental health.



Excellence Canada, a non-profit national organization that promotes workplace best practices across a range of industries, honoured Bell with the Silver Award for Mental Health at Work.

OTHER LEADING WORKPLACE PRACTICES

Bell's return-to-work program continued to produce promising trends in 2013, reducing relapse and reoccurrence of disability leave. Our successful support initiatives include:

- Early intervention and communications to increase support for the employee with a mental health issue and his or her manager
- Return-to-work specialists who help prepare a plan to ensure the employee's successful reintegration in the workplace

We launched 4 Mental Health in the Workplace leader guides in early 2013 to help Bell leaders support team members through difficult situations that are potentially related to mental health. Developed in collaboration with mental health professionals, HR consultants and business leaders from across Bell, the guides offer practical resources and tools to start effective conversations with team members.

A multidisciplinary team of subject matter experts is available to review complex cases and ensure the consistent application of best practices.

EMPLOYEE DEVELOPMENT

81%

of employees
are proud
to work for Bell

EMPLOYEE ENGAGEMENT ENGAGEMENT SURVEY

Bell monitors the engagement of its workforce through the Bell Team Survey, which measures how team members feel about their job, their department and the company as a whole. Broken down by organizational level, geography, department and other categories, the information supports the development of action plans by Bell leadership to improve engagement.

In 2013, 80% of team members participated in the survey and the responses showed that:

- 81% are proud to work for Bell
- 78% recommend Bell products and services to friends and family
- Confidence in senior leadership jumped by 14 points since 2009¹

EMPLOYEE RECOGNITION

Bell recognizes employee achievements at the business unit and corporate level with the highest honour being the Bell Bravo award which includes a prize of \$5,000 and gala awards dinner for Bell's top achievers. In 2013, 39 individuals and 127 members on 34 different teams received Bravo awards.

We also honour the dedication and loyalty of our team members through the Employee Service Award program, recognizing team members for long-term service beginning at 5 years and every 5 years after that. Rewards increase in value with length of service. In 2013, more than 1,750 employees celebrated their 25th, 30th, 35th, 40th or 45th service anniversaries with Bell.

LEARNING AND DEVELOPMENT

Bell invests heavily to ensure our employees' skills and knowledge remain up to date by providing cost-effective courses in a wide range of areas, from leadership development to professional, functional and technical training. In 2013, the company invested more than \$17.9M in training through internal and external courses.

\$17.9M

in training through
internal and
external courses

As well as supporting individual employee aspirations, Bell's employee development plan supports business goals and objectives by reinforcing core programs and processes that align with the Bell Leadership Success Profile.

We offer robust training curricula in many subject areas. Whether for leadership development, professional and functional training or technical training, programs are delivered in a number of ways, including instructor-led courses in classrooms – real and virtual. The online Career Zone tool has thousands of free online training courses on topics ranging from personal time management, work-life balance and communication skills to technical certification, project management, and desktop applications. Additionally, Bell's learning solutions include thousands of online books on a wide variety of business topics.

Bell's Leadership Development Program supports the development of employees who will lead Bell's future success and focuses on effective communication, people leadership and business acumen. The People Leader Foundations program provides managers with a baseline of capabilities focusing on people leadership (team effectiveness, development, confident leadership), as well as the opportunity to develop more advanced capabilities including strategic leadership. Our consistent approach focuses Bell's investment and produces greater gains through the development of skills that are transferable across business units. It also encourages promotion from within and the retention of top performers and team members with high potential. The program also promotes employee engagement through career development. Launched in September 2013, the program had 554 participants by year end.

EXECUTIVE LEADERSHIP DEVELOPMENT

Bell maintains an ongoing commitment to the Judy Project, Canada's leading executive forum preparing women for executive leadership and CEO positions, and to the International Women's Forum Fellows Program, a leading international women's executive development program. In this way, and others, we promote and support the development of women executives at Bell.

We also invest in company-driven development programs that focus on capability building and external executive education, such as the Executive MBA and other intensive development programs.

¹ Results from 2009 did not yet include BTS or Expertech

BELL WINS LEADERSHIP 500 EXCELLENCE AWARD

The Leadership 500 Award recognizes North American organizations with outstanding leadership programs. This year, Bell ranked 6th out of 100 companies in the large international category on the strength of our People Leader Foundations program launched in 2013. People Leader Foundations helps managers who are leading teams develop the Bell Leadership Success Profile competencies they need to grow in their role and support their career development at Bell.

Participants rate the course highly:

- 93% said they would recommend the course and felt it supports their personal development
- 92% agreed that the skills learned in the class are applicable in the workplace

A similar program for managers without direct reports, called Professional Foundations, is also now available and a course for more junior team members will be launching later this year.

Recently Bell also won the following awards:

- Bell's Graduate Leadership Program won the Best Grad Program by TalentEgg
- We won the Excellence in Innovation: Leadership Development award from the Canadian Association of Career Educators and Employers (CACEE), which recognized our Mobility & Residential Services Graduate Leadership Program
- Career Edge 1000th intern award recognized Bell as the first company to offer 1,000 paid internships
- Bell was one of the few Canadian companies to appear on the Universum Top 100 Ideal Employer Rankings



NEXT-GENERATION TALENT

Bell is committed to developing future leaders in the organization. Every year the executive team reviews our succession pipeline. We identify high-potential leadership candidates and expose them to different developmental opportunities, including executive-led sessions, external coaching programs, mentoring, networking, Executive MBA and other leadership development initiatives.

Executive-led sessions represent a valuable development opportunity for future leaders, focusing on topics relevant to Bell's overall strategy and deepening our next-generation leaders' understanding of real-life business challenges.

Bell takes concrete steps to encourage young people to start their careers with high-value jobs within the company. In 2013, we hosted 21 information sessions, sponsored 5 student competitions and conferences, and participated in 11 career fairs in Québec and Ontario, including events related to diversity and women. Bell also continued its association with Career Bridge and Career Edge. These not-for-profit organizations promote the integration into the workforce of new graduates (Career Edge) and new immigrants (Career Bridge). Bell is listed among the winners of the latest Career Edge Program Award for large enterprises, thanks to hosting 94 interns in the latest available full-year statistics.

COMPENSATION AND BENEFITS

Bell's total compensation package includes a competitive base salary, strong performance incentives and a range of benefits including long- and short-term disability leaves. Incentive plans reflect both the company's success and individual achievement. To maintain market competitiveness, Bell reviews compensation levels at least annually or as required.

Bell's benefits program, Omniflex, gives team members the flexibility to choose health, life and accident insurance that best suits their evolving individual needs. We also offer a variety of plans to help employees build savings, including an Employer Registered Retirement Plan, a group RRSP, a group TFSA and a share-purchase plan. Bell provides other benefits, such as employee discounts on Bell's products and services, and further discounts at The Source.

Over the last 5 years, Bell has made voluntary contributions to the defined benefit pension plan totalling \$2.75 billion. These enhance the security of pension benefits for all members of the plan, reduce the company's future pension obligation, and generate substantial cash tax savings.

OTHER WORKPLACE INITIATIVES

GUIDANCE ON EMPLOYEE CONDUCT

Ethical behaviour is one of the cornerstones of a socially responsible company. Our employees have a right to expect a safe and diverse workplace where respect and ethics are paramount. Introduced in 1995, Bell's Code of Business Conduct provides guidance on conflicts of interest, the protection of company assets and the environment, safeguarding privacy and confidentiality, and interactions with team members, clients, business partners and competitors.

All new employees must review the Code and complete the online training associated with it, and every employee must review the Code annually and refresh their training every 2 years.

EMPLOYEE PRIVACY

Bell has a strong record in the protection of personal information of customers and employees. For some time, we have adhered to clear guidelines that meet or exceed government standards for the protection of and access to information.

Bell provides team members with information about their privacy rights as well as our obligations as an employer which are defined in our privacy and confidentiality policies. Team members are provided with key information on Bell's employee privacy Intranet site which clearly defines roles, processes, the current legal framework and more. Team members can obtain responses for any questions they may have through the privacy mailbox which is monitored and promptly answered by the privacy coordinator.

SECURITY

In 2013, more than 30 awareness messages were sent to Bell team members. These messages covered topics such as protection of information and data, identity theft and malware, fraud prevention, physical access to company premises and emergency management. As a result, Bell team members are better equipped to protect the corporation, its assets, its employees, its own and its customers' information, and to react in the event of an emergency.

OCCUPATIONAL HEALTH & SAFETY

Bell's complex and diverse operations, by their nature, can expose our employees to a variety of risks. To mitigate that, our governance structure – through the Security, Environment, Health and Safety oversight committee – instills broad employee ownership of health and safety issues. This is visibly demonstrated in the committee's drive to create and preserve a safe working environment for those whom they lead, evaluating and managing foreseeable risks to health, safety and well-being.

A number of initiatives are underway to enhance our health and safety program.

In 2013, we set and achieved an objective to develop a new safety indicator that includes subsidiaries and is based on lost time per hours worked. Specifically, Bell standardized its metrics calculation and reporting using the industry-recognized criterion of 200,000 hours worked as an indicator for accident frequency.¹ This enables us to benchmark against best-in-class industry performance.

Our frequency rate for time lost accidents in 2013 was 1.48, which is consistent with our performance in 2012. No fatalities were reported. These figures include our subsidiaries BTS and Expertech, which represent our higher-risk occupations.

Also in 2013, our executive oversight committee reviewed and accepted Bell's Health and Safety Policy Statement. This is open to public access on our BCE.ca website. This statement will serve as guidance as we elaborate our detailed policy, upon which our new health and safety management system will be founded.

We implemented the Operation VP Steering Committee to oversee areas of the highest exposure and to prioritize development of appropriate controls. We also formalized the Corporate H&S Forum, which regroups experts to standardize our practices across our businesses, including measurement of performance.

By achieving these objectives, and by maintaining a focus in which managing risk is paramount, we are strengthening our leadership and governance as we improve our ability to ensure employees have a safe working environment.

¹ Time Lost Accident Frequency Rate = number of time-lost accident cases X 200,000 / number of worked hours

OUR CONTRIBUTION TO THE ECONOMY

- A LEADING CONTRIBUTOR TO CANADA'S ECONOMY
- FINANCIAL INFORMATION
- RESEARCH AND DEVELOPMENT



A LEADING CONTRIBUTOR TO CANADA'S ECONOMY

For 134 years now, and since the founding of the telecommunications industry in Canada, Bell has been connecting Canadians with each other and with the information they need to enrich their lives and pursue their aspirations.

As Canada's largest communications company, with 17.5M customer connections, Bell provides consumers and business customers with wireless, TV, Internet, home phone and business communications services as well as leading assets in television, radio and digital media.

Bell has played an important role in the growth of Canadian communities, companies and the country as a whole, producing a wide range of innovations that have shaped the communications industry across Canada. These include many Canadian, North American and world firsts: first telephones in Canada, first long distance, first mobile telephone service, the largest microwave network in the world, first wireless paging, first commercial fax service, and so on.

Bell spends \$3 billion (BCE \$3.5B) annually in capital investment which is more than any other company in Canada, with the exception of major energy companies in Western Canada.

Our 700MHz Spectrum will take Bell further with a wider network reach, greater rural and northern expansion and stronger in-building connections.

We've recently deployed a new technology enabling mobile payments, that allows more secure transactions for both our customers and banking institutions, therefore increasing efficiency for the Canadian economy as a whole.

Bell was the first company in North America to invest in digital switching – the foundation of today's digital age – and it continues to bring market innovations that flow from those investments made more than 35 years ago. Those include the first PVR in Canada and the first wireless TV receiver, the first mobile TV, the first whole-home PVR, 4th generation wireless networks and the largest ever deployment of broadband fibre optics to connect homes and businesses in an entire metropolitan area (Québec City).

This drive to innovate and invest ensures that Canadians have the best possible communications products and services, not only for themselves as individuals but also as drivers of economic progress. Of the top 100 companies in Canada, 95 run their businesses using Bell products and services. Consequently, Bell's ongoing success and growth not only directly sustain more than 49,000 high-value jobs within the company (which injects about \$3.7 billion into the economy in wages and benefits each year) and a significant return on investment for BCE

shareholders with a market leading total shareholder returns for BCE of 141% from 2008 to 2013. Bell is also an essential contributor to enhancing the productivity and competitiveness of most Canadian businesses as they pursue their own priorities in a global economy.

Nordia Inc., part of the Bell Canada family, has acquired the assets, assumed the lease of the facility and has taken over management from Teletech Canada.

This brings back employment to Orillia, with the hiring of more than 400 employees — including 30 management and support positions. The Orillia call centre is Nordia's seventh such facility in Canada and operates seven days a week. Nordia expects its activities will contribute more than \$15M per year to the local economy.

More than 450 jobs will also be created in Québec's Saguenay region in 2014 with the opening of a new customer service centre in Jonquière. As part of Bell's push to improve customer service, the new centre is scheduled to open in the 3rd quarter of 2014, and will be Nordia's largest in Québec, operating seven days a week. Once fully operational, the facility is expected to contribute approximately \$16M to the local economy each year.

Bell is proud to partner with some of Canada's premier entertainment events. Through these events, Bell contributes to indirect economic and social benefits for communities and individuals. For example, in Toronto, TIFF Learning provides students and teachers with innovative ways to engage with the moving image that extend beyond a class trip to the movies. [TIFF Bell Lightbox](#) is the only facility of its kind in Canada. The unique programmes are designed for cross-course flexibility and are closely tied to the Ontario curriculum. Similarly, the [Montreal Jazz Festival](#) offers tools with social and environmental impact, and gives the community the means to take up the practice of music. The Festival generates economic spinoffs of close to \$100M, derived in large part from spending by tourists visiting to attend the largest musical event in the world, and Festival spinoffs provide our federal and provincial governments with \$20M in annual tax revenue. Bell also partners with [Quebec City's Festival d'été](#). For 11 days, at 10 venues throughout the city, there's music for everyone. Today, this non-profit event generates more than \$25M in added value for Quebec City.

Similarly, investment in Bell Fibe TV and Internet network in Kingston, Ontario by mid-2015 will help create jobs in that area. The investment of \$40M will also have a positive impact on the regional supply chain, including hotels, restaurants, and fibre companies, and will also be a selling point for businesses looking to expand or relocate to Kingston.

We are – and are committed to remain – one of the country's leading companies in the generation of wealth and in contributing to the strength of the economy as a whole.



From Bell – left to right: Luc Vandal, John DiNardo, Martine Turcotte and Jean Tremblay (Mayor of Saguenay).

FINANCIAL INFORMATION

(\$ MILLIONS)	2013	2012
Revenue	18,109	17,645
Operating expenses	11,292	11,049
Wages, salaries, and related taxes and benefits	3,704	3,575
Payments to providers of capital (dividends to BCE shareholders and interest payments)	2,658	2,573
Income taxes and other taxes	1,068	997
Capital expenditures	3,001	2,923

RESEARCH AND DEVELOPMENT

Bell regularly ranks in the top 3 Canadian companies for research and development, spending well over half a billion dollars a year. We also lead the Canadian communications industry in capital investment, spending more than \$3 billion a year to build the most extensive and highest-quality next-generation wireless and wireline networks. Our massive investments include Canada's largest 4G LTE wireless network, now available to 80% of residents and Bell's 4G HSPA+ network covering more than 98% of the population. These strategic investments enable us not only to sustain growth within Bell by delivering the services that customers want and need. They also support the growth and productivity of the economy in this digital, information age.

Bell fosters innovation in the community through its engagement with cleantech cluster TechnoMontréal. Bell is a founding partner of TechnoMontréal (2007) and Mr Stéphane Couture, Associate Director, Government Affairs at Bell will be Chair of the board for the next 2 years (2014-2016). TechnoMontréal's mission is to increase and accelerate the competitiveness, growth and reach of the ICT industry. TechnoMontréal brings together ICT providers in the Greater Montréal area to target 4 strategic areas of action with its working groups. The committees that participate in these working groups are composed of businesses, educational institutions, associations and both public and semi-public players. Together, they work on structural projects that impact the entire ICT industry in the region. The TechnoMontréal working groups are:

- Innovation
- Talent
- Industry Development
- International Visibility

Research and development expense is the amount of money that Bell spends to develop new products and services each year. Such investment enables Bell to continue to provide its customers with the latest products and services, comparable to any in the world. It also helps fuel a positive cycle of innovation and growth not only within Bell but with our partners and suppliers. Finally, it creates a substantial pool of high-value career opportunities for home-grown professionals, scientists and engineers.

In 2013¹, BCE ranked third among Canada's Top 100 corporate spenders on research and development, based on the R&D spending by all companies in 2012, a year in which BCE spent \$576M on R&D. See researchinfosource.com.

¹ Research and development investment numbers are reported annually in late summer. This figure always lags one year behind the rest of the data

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