BCE Inc.

2016 Corporate Responsibility Report

BCE at a glance

Team Members	Bell named one of Canada's Best Diversity Employers by Mediacorp Top 100 **Top 100**	Since 2010, Bell has organized more than 900 mental health events for team members **900**	31% of our Board members are women **31%**	85% of team members believe that people of all backgrounds (cultural, gender, age, religion, disability, etc.) can succeed at Bell **85%**	Made a $400 million voluntary contribution to our legacy defined benefit pension plan to enhance the security of pension benefits **$400M**
Customers	Attained a record 95% customer satisfaction rate **95%**	Bell has 21 million subscribers across our full range of services **21M**	Bell technicians arrived right on time for 97% of appointments **97%**	Bell supports the largest fibre network in Canada, spanning more than 196,000 kilometres **196,000 km**	Invested $850M since 2011 to enrich the skills of our call centre representatives and field technicians, as well as improve online customer self-serve options **$850M**
Community	Bell Let's Talk commitment to Canadian mental health has reached $86,504,429.05 **$86.5M**	1,790,000 Canadians have received help through programs funded by Bell Let's Talk **1,790,000**	Team members totaled 336,000 volunteer hours in 2016 **336,000 h**	9,600 kids started school last year with new backpacks full of supplies thanks to team members' efforts **9,600**	Bell Canada has donated more than 90,000 used computers and 4,500 printers to schools since 1993 **90,000**
Environment	Bell named one of Canada's Greenest Employers by Mediacorp	Bell Blue Box program diverted 289,000 phones from landfill in 2016 **289,000**	Installed 42 electric car charging stations for use by our team members in Bell buildings **42**	Generated 450,000 kWh of renewable energy from solar and wind power sources, saving 110,000 litres of diesel fuel consumption **450,000 kWh**	By cutting electricity use, fuel consumption, and travel, Bell avoided release of 55 kilotonnes of CO_2 equivalent since 2008 **55 kt**
Economy and society	Conducted the 1st Canadian trial of 5G wireless technology (in collaboration with Nokia Corporation in 2016) **1st**	97% increase in dividend per common share since the end of 2008 **97%**	251% total shareholder return since the end of 2008 **251%**	27 highly secure Canadian data centres, more than any competitor **27**	Every $1 billion that Bell invests in deploying new fibre networks supports up to 19,000 jobs in the Canadian economy as a whole **19,000**

IN THIS REPORT

BCE at a glance	1
Message from our CEO	3
About this report	5
Who we are	7
Our brands	8
Management of corporate responsibility at Bell	9
Key objectives and results	14
Team members	15
Our customers	30
Community	36
Environment	45
Economy and society	55

One of Canada's most innovative companies, Bell builds on the values of our team members to help Canada and Canadians grow responsibly. Our objective is to minimize our impact on the natural environment, invest in the communities we serve, and maximize our impact on the national economy, at all times adhering to the high ethical standards that have guided all our actions for 137 years.

Enabling Canada's prosperity in a broadband future

As we celebrate the 150th anniversary of Confederation in 2017, Bell is proud to have played an integral role in Canada's social development and economic growth, and in ensuring our nation's place at the forefront of communications innovation.

Since 1880, the Bell team has led the way in connecting Canadians with the latest communications networks and services, delivering value for our customers, shareholders, team members and the national community. And as a re-energized competitor in every segment of next-generation broadband, Bell remains the leading brand in Canadian communications.

Bell's goal is to be recognized by customers as Canada's leading communications company. We are executing a clear strategy to achieve it, focused on leading investment and innovation in broadband wireless, Internet, TV and media, delivering a better customer service experience as we operate with utmost efficiency in a highly competitive marketplace.

Bell's 6 Strategic Imperatives

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

We are committed to growing our business in a responsible and sustainable way. We fulfill our obligation to create value as we adhere to the most rigorous governance and ethical standards across our business and throughout our supply chain, and we apply exacting sustainability metrics to ensure Bell's ongoing environmental leadership.

It all starts with our networks, and Bell continues to bring our customers the fastest broadband capabilities and the highest quality communications services available.

We're building out high-speed fibre connections directly to millions of homes and businesses, including full-city builds under way in Toronto and Montréal as our two largest urban centres join Bell's network of fibre cities throughout eastern Canada. These broadband connections deliver superior Internet services, like Gigabit Fibe Internet, and other services like, Fibe TV and the new Alt TV, an Internet-enabled entry for millennials and other customers looking for new options in live TV. Alongside Bell Media's popular CraveTV streaming service, Alt TV is further evidence that Canada's largest TV provider continues to innovate as technology and consumer demands evolve.

Our LTE wireless network is renowned as the fastest in Canada, and is driving rapid growth in the number of customers using feature-rich smartphones and accelerating usage of mobile video, social media, Internet of Things (IoT) business applications and other mobile content. Canada's wireless innovation leader, Bell conducted the first Canadian trials of 5G wireless technology and recently launched North America's first ultra-fast Quad-band LTE-A network. Bell's wireless network outperformed those in the Unites States and Europe.

We're dedicated to delivering these innovations to our customers with the highest levels of service and support. With ongoing investment in our teams and the tools that support them, we're making measurable progress in enhancing the customer experience at every level. For example, our field service technicians were on time for appointments 97% of the time and achieved a 95% customer satisfaction rate in 2016.

Since 1880, the Bell team has led the way in connecting Canadians with the latest communications networks and services, delivering value for our customers, shareholders, team members and the national community.

We're bringing this broadband investment, innovation and service strategy to Manitoba with the new Bell MTS. Our plan to invest $1 billion over 5 years to build new fibre and mobile broadband networks in Manitoba will deliver next-generation Fibe and mobile LTE services to communities large and small throughout the province. Bell MTS is also investing in the Manitoba community, beginning with a joint donation with Unifor to support Ma Mawi Wi Chi Itata Centre and CMHA Manitoba & Winnipeg in providing culturally relevant mental health support for Indigenous youth and families.

The Bell Let's Talk mental health initiative continues to make remarkable strides as we work to build a Canada free of the stigma around mental illness. Bell Let's Talk Day 2017 set records for engagement with 131,705,010 total messages of support and a new Bell donation of $6,585,250.50 to fund further anti-stigma, care and access, research and workplace initiatives. Bell Let's Talk Day was again the #1 Twitter trend in Canada and worldwide, while youth engagement continued to grow with 20,000 student athletes at 54 Canadian universities lending their voices to the cause.

Bell is a leader in workplace mental health within our own company, adopting the Psychological Health and Safety in the Workplace standard that Bell Let's Talk helped create. Alongside our commitment to diversity that supports every team member in reaching their full potential, Bell's mental health leadership is one of the reasons we were recognized as a diversity leader and as a Top 100 employer in Canada and in our headquarters city of Montréal. Our customers are backed by a Bell team of more than 50,000 in every province and territory of the country, meaning approximately 1 in 360 Canadians is part of the Bell team.

The first Canadian communications company certified to the ISO 14001 environmental standard, Bell continues to enhance our sustainability performance. Our commitment is reflected in our participation in organizations such as the Global eSustainability Initiative and the United Nations Global Compact, and our success in recognition by Newsweek, Corporate Knights and other organizations that track sustainability excellence.

The Bell team looks forward to joining our customers, partners and neighbours in celebrating the 150th anniversary of Confederation, and to providing the next generation of broadband networks and services that will power Canada's innovation economy into the future.

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

Our commitment is reflected in our participation in organizations such as the Global eSustainability Initiative and the United Nations Global Compact.

ABOUT THIS REPORT

This report, together with the information and documents available in the Responsibility section of **BCE's website**, summarizes how Bell's 2016 corporate responsibility (CR) performance measured up to the values of our team members, the expectations of Canadians and the standards of third-party global organizations. This report has been prepared in accordance with the Global Reporting Initiative **(GRI)** Standards-Core option and adheres to the principles of the United Nations Global Compact (**UNGC**). It 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.

Target audiences	This report provides information relevant to BCE team members, customers, the community, governments, civil society/NGOs (non-governmental organizations), investors, and rating agencies.
Format	As part of our objective to reduce our carbon footprint, since 2007 our annual Corporate Responsibility Report has been available online only. The PDF is designed to be accessible and easily read on a standard computer screen and most screen readers used by the visually impaired. Additional documents are linked from the PDF to our **website**. This year for the first time, the document is available in an entirely interactive online format.
Organizational boundaries	This report covers, unless otherwise specified, the period from January 1, 2016 to December 31, 2016. Unless otherwise stated, data are valid as at December 31, 2016. This report contains data about the BCE group of companies, referred to collectively in this report as "BCE", "Bell", "Bell Canada", "we", "us", "our" or "company". The companies of the BCE group are those over which we have strong financial and managerial control.
Content	This report focuses on the corporate responsibility issues that are of greatest importance to our stakeholders and have a major influence on our business success. The **Responsibility section of our website** presents general information on related programs, provides access to specific policies and includes a GRI Content Index that directs readers to relevant **GRI indicators**. Please see our **Reporting what is relevant to our stakeholders** leaflet for details on stakeholder engagement and report content.
Data collection and verification	We made every effort to ensure that all content is accurate and authenticated by internal subject matter experts (SMEs) across the company who collected, verified, and submitted the data to the Corporate Responsibility and Environment team, documenting the sources of information and how results were obtained. In many cases, these data are collected through our ISO 14001-certified management system. Team members who manage that system are accountable for the quality of the data through their performance evaluation, which affects their compensation. We engaged PricewaterhouseCoopers to verify most of the performance data in the Key Performance Indicator table. This verification statement is available on our **website**. We round all figures to the closest full integer in our reporting, unless otherwise specified, and all data are in international units. Where available, we include comparative historical data to demonstrate trends. Some historical data have been restated due to mergers and acquisitions, changes in calculation methodologies to improve accuracy, or to correct previous errors in recording or calculating data.
Major changes since last report	We periodically acquire, sell, and launch businesses in line with corporate strategy. We also undertake ongoing year-over-year modifications in our reporting processes and procedures to continuously improve our CR reporting processes and controls. As appropriate, to maintain or improve the accuracy or comparability of data and performance trends between years, and/or where any variance in prior years' data has been identified, we restate that data in this report. This year, we identify a new greenhouse gas (GHG) objective. We are also reviewing our waste diversion objective in light of the impact of recent business acquisitions. No objective has been determined.

Caution concerning forward-looking statements

Certain statements made in this report are forward-looking statements. These statements include, but are not limited to, statements relating to our business outlook, objectives, plans and strategic priorities, including, in particular, our corporate responsibility and sustainability objectives (which include, without limitation, our objectives concerning reductions in the level of our greenhouse gas emissions and remaining a leader in corporate governance and ethical business conduct), our network deployment plans and related expected capital investments, and other statements that are not historical facts. 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 2016 Annual MD&A dated March 2, 2017 (included in the BCE 2016 Annual Report), BCE's 2017 First Quarter MD&A dated April 25, 2017 and BCE's news release dated April 26, 2017 announcing its 2017 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 June 2, 2017 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 special items or of any dispositions, monetizations, mergers, acquisitions, other business combinations, or other transactions that may be announced or that may occur after June 2, 2017. The financial impact of these transactions and 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 readers in understanding, in particular, certain key elements of our 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. The nature and value of capital investments expected to be made by Bell Canada to implement its network deployment plans assume, in particular, our ability to access or generate the necessary sources of capital to fund such capital investments.

WHO WE ARE

BCE is Canada's largest communications company, providing residential, business and wholesale customers with a wide range of solutions for all their communications needs. BCE's shares are publicly traded on the Toronto Stock Exchange and on the New York Stock Exchange (TSX, NYSE: BCE).

CELEBRATING
137 YEARS
OF INNOVATION

Our results are reported in 3 segments: Bell Wireless, Bell Wireline, and Bell Media.

Bell Wireless provides wireless voice and data communications products and services to our residential, small and medium-sized business and large enterprise customers across Canada.

Bell Wireline provides data, including Internet access and Internet protocol television (IPTV), local telephone, long distance, as well as other communications services and products to our residential, small and medium-sized business, and large enterprise customers, primarily in Ontario, Québec, the Atlantic provinces, and, as of March 17, 2017, Manitoba, while satellite television (TV) service and connectivity to business customers are available across Canada. In addition, this segment includes our wholesale business, which buys and sells local telephone, long distance, data and other services from or to resellers and other carriers.

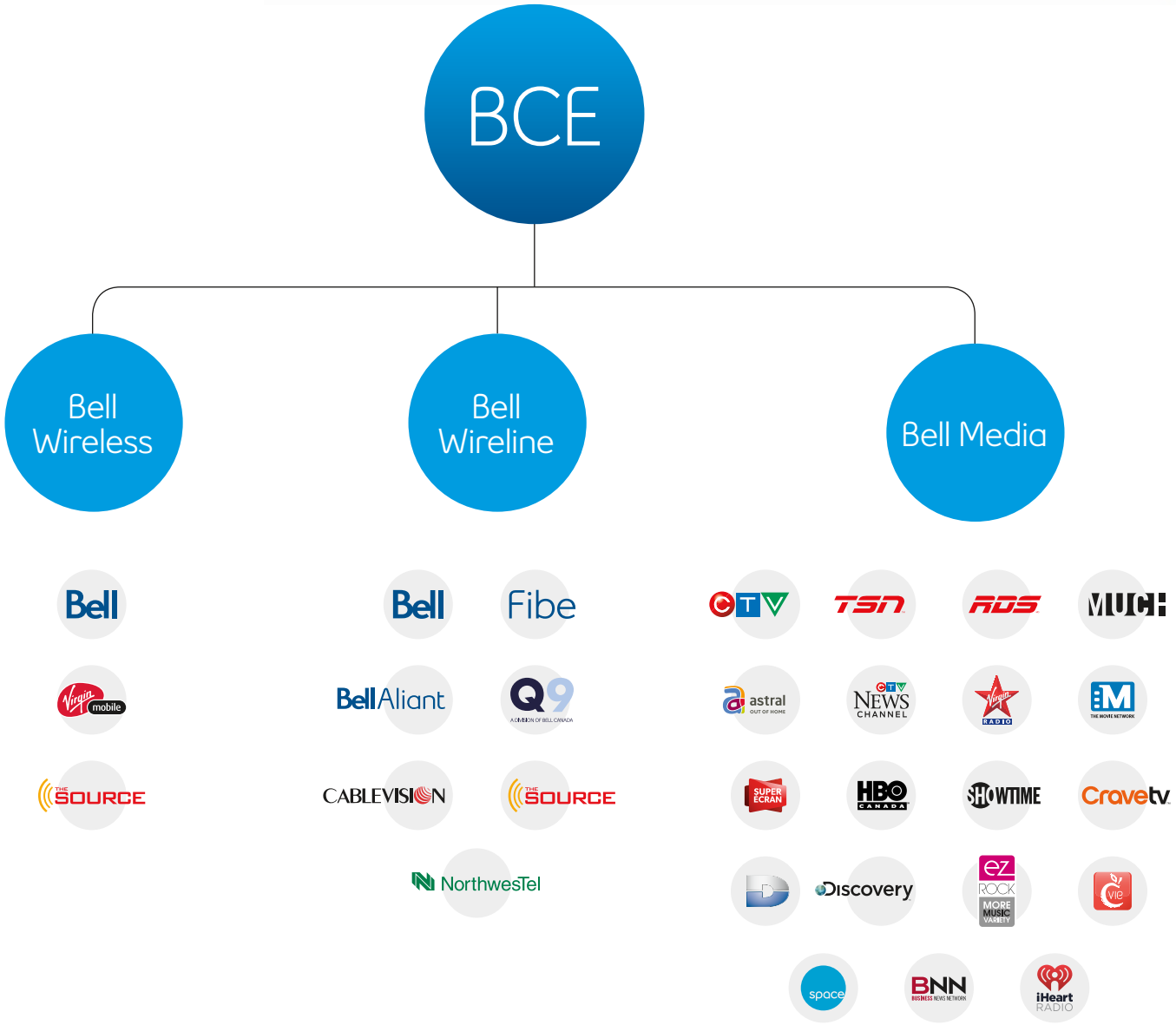
Bell Media provides conventional, specialty and pay TV, digital media, radio broadcasting services, and out-of-home (OOH) advertising services to customers across Canada.

We are headquartered in Verdun, Québec.

For more information on the location of our corporate headquarters, click here.

BCE's business segments and brands

at December 31, 2016



Other BCE investments

For more information about Bell's brands, products, and services, please see our Annual Report, p. 27.

Bell's goal: To be recognized by customers as Canada's leading communications company.

Our approach to corporate responsibility begins with an unwavering commitment to governance discipline. Our solid governance structure and rigorous practice enable us to actively balance economic growth, social responsibility, and environmental performance to seek to ensure our ongoing success as a company, and our continued ability to contribute to the Canadian economy. These key elements are the foundation of sustainability.

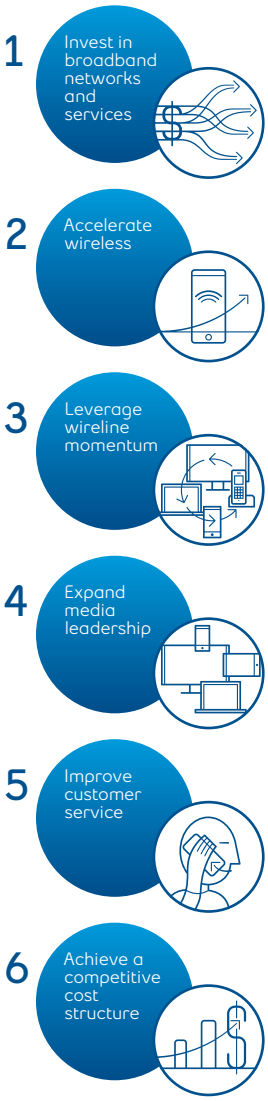
Strategic alignment

Since its founding in 1880, Bell has led the industry in enabling Canadians to connect with each other and the world around them. Our responsibility is to manage the company in a way that enables us to sustain our record of serving the personal and business communications needs of millions of customers, create value for shareholders, provide meaningful careers for tens of thousands of people, and make a meaningful contribution to the broader Canadian community and economy, and we take that responsibility very seriously.

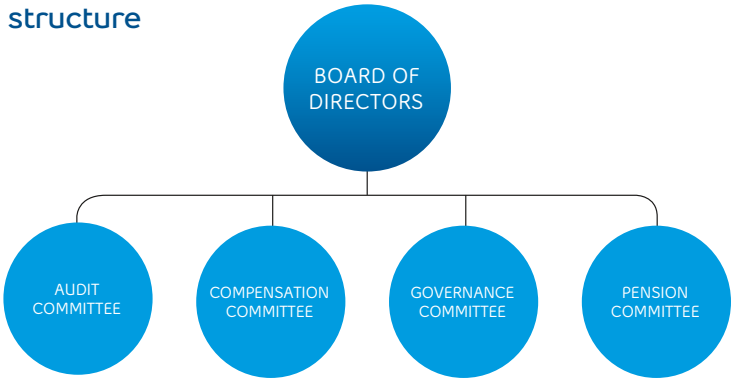
Thus, corporate responsibility is a fundamental element of each of the 6 strategic imperatives that inform Bell's policies, decisions and actions. We insist on this approach not just because it is the right thing to do, but also because it supports our goal: to be recognized by customers as Canada's leading communications company. For example, while waste management and energy reduction initiatives address important environmental concerns of society at large, they also create a chain of benefits for Bell. They enable us to operate more efficiently as part of our imperative to achieve a competitive cost structure (#6). They also align with the values of our team members, driving satisfaction and engagement. And they free up funds for a variety of purposes, from extending our backbone networks in support of the productivity of Canadian businesses (#1) to investing in the communities we serve. Engaged team members also drive customer satisfaction (#5), which in turn enhances performance in our wireless, wireline, and media segments (# 2,3,4). Similar beneficial linkages, resulting from our fully aligned governance oversight structure, are evident in the table below and in every topic addressed in this report.

	1 INVEST IN BROADBAND	2 ACELAREATE WIRELESS	3 LEVERAGE WIRELINE	4 EXPAND MEDIA LEADERSHIP	5 IMPROVE CUSTOMER SERVICE	6 ACHIEVE A COMPETITIVE COST STRUCTURE
Team members	✓	✓	✓	✓	✓	✓
Customers	✓	✓	✓	✓	✓	
Community				✓		
Environment						✓
Economy and society	✓	✓	✓			

Our 6 strategic imperatives



Governance structure



The Board of Directors has established clear lines of authority and oversight over our corporate responsibility programs, with primary accountability at the committee level:

The Audit Committee oversees issues including environmental risks, security, and business continuity

The Management Resources and Compensation Committee (Compensation Committee) has oversight for human resources issues, including health and safety

The Corporate Governance Committee is responsible for governance practices and policies, as well as for policies concerning business conduct and ethics, including Bell's Code of Business Conduct

For more information on Board oversight, please see the Governance section of our website.

To further focus our governance structure with respect to corporate responsibility, the Compensation Committee has established the Security, Environment and Health & Safety Oversight Committee (SEHS Committee), chaired by the Executive Vice President, Corporate Services. Its mandate is to seek to ensure our CR strategy is well integrated throughout the business in order to minimize risk (financial and reputational) and optimize business opportunities. Among its duties, the SEHS Committee annually reviews the company's security, environmental and health and safety policies and recommends modifications for approval by the Board. The SEHS Committee also reviews operational directives related to environmental issues.

As chair of the SEHS Committee, the Executive Vice President, Corporate Services, has 30% of his variable pay tied to personal objectives that include enhancing team member engagement, leading Bell's diversity and mental health programs, preventing workplace accidents, maintaining ISO 14001 certification, and optimizing energy efficiency. He or she also has direct oversight of the Corporate Responsibility and Environment team, which is responsible for corporate responsibility initiatives. This team's managers also have part of their variable portion of their compensation tied to social and environmental goals.

We further reinforce individual accountability through a clear management structure to make certain that we identify and properly address responsibility issues and initiatives throughout the company.

Moreover, we rigorously apply a global strategic approach and a highly effective, practical management system. In 2009, we were the first Canadian telecommunications company to have such a system ISO 14001 certified.

More details on our approach to sustainability management are available here. For more information on corporate governance and risk management, please see the Governance section of our website, our 2017 Management Proxy Circular, p. 21, and our Annual Report, p. 36.

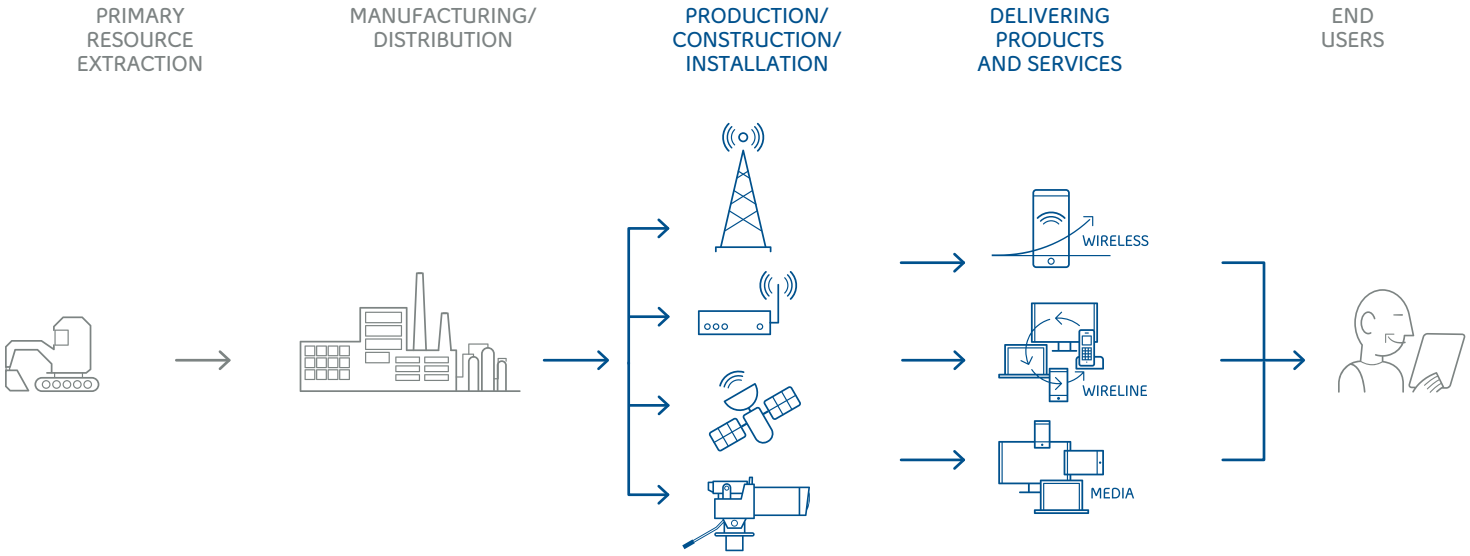
Guidance on team member conduct

Ethical behaviour of team members is integral to our ongoing commitment to be a responsible company. Accordingly, since 1995, all team members have been subject to a detailed Code of Business Conduct that sets out specific expectations and accountabilities, provides guidance on conflicts of interest, and safeguards privacy and confidentiality, improper influence of audits, protection of the environment, and interactions with team members, clients, business partners, and competitors.

Each year, every team member must re-commit to this Code.

Corporate responsibility topics across our value chain

The diagram below depicts our presence in the various industry segments.
Related corporate responsibility topics are listed directly below the different parts of the value chain.



PRIMARY RESOURCE EXTRACTION

- Air quality
- Conflict minerals
- Corruption/bribery
- Fossil fuels
- Water pollution
- Working conditions

MANUFACTURING/ DISTRIBUTION

- Air quality
- Corruption/bribery
- Employee health + safety
- Fossil fuels
- Water pollution
- Working conditions

PRODUCTION/ CONSTRUCTION/ INSTALLATION

- Biodiversity and physical integration into the environment
- Business continuity
- Community relations
- Economic impact
- Employee health + safety
- Environmental incidents
- Fossil fuels
- Waste management

DELIVERING PRODUCTS AND SERVICES

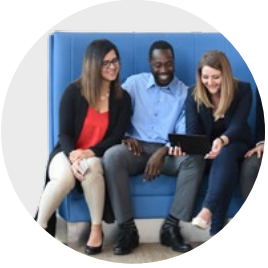
- Business continuity
- Community relations
- Corporate governance
- Data security
- Digital divide
- Diversity and inclusion
- Economic impact
- Employee engagement
- Employee health + safety
- Energy and GHGs
- Environmental incidents
- Fraud prevention
- Fossil fuels
- Privacy
- Waste management

END USERS

- Accessibility
- Customer satisfaction
- Data security
- Energy consumption
- Fraud prevention
- Privacy
- Product safety
- Product stewardship

NOTE: Items in grey are non-Bell entities.

These and other topics are addressed in the 5 sections of this report.



Team members

Customers

Community

Environment

Economy and society

Corporate responsibility issues and our business

As with every company in the communications industry, Bell faces a number of corporate responsibility issues, including environmental footprint, customer privacy, cyber attacks, supply chain management, and e-waste. These and many other matters also touch organizations in our supply chain (see **Our Value Chain**). This report explores the risks and opportunities associated with these areas and details how Bell is addressing each of them.

Corporate responsibility trends in our industry

Various corporate responsibility issues move in and out of stakeholder focus over time as trends and priorities change. In recent years, stakeholders have identified the following as the issues most relevant to them and our company.

Energy consumption

Always a notable component of our business service solutions, energy consumption is becoming an even broader issue as more people use smartphones and tablets that consume rapidly growing amounts of data to access social networking, cloud computing, mobile TV, mobile commerce, and banking services. Each of these services consumes network energy, thereby increasing Bell's carbon footprint. Adding to the demand is the emergence of other M2M (machine-to-machine) applications in retail and advances in transportation, such as the connected car, asset tracking, and remote monitoring. In 2015, the last full year for which data are available, more Canadian households were exclusively wireless (23.7%) than were exclusively wireline (13.6%)[1]. The consequent growth in wireless data consumption drives up Bell's need for energy to power our networks, making energy efficiency an important issue for our entire industry.

We are also affected by the growing trend for companies to use data centres to shift applications and services to the cloud. This enables carriers like Bell to make more tools and professional services available to business customers while maximizing the efficiency of our networks and business operations. In time, this virtualization will involve both fixed and wireless access network elements as more functions will move from the customers' premises to centralized, carrier-operated facilities. As a result, carriers will consume more energy while their customers will see their energy consumption decrease. The net effect will be to reduce overall consumption as virtual activity replaces physical activity and larger carrier-operated platforms become more efficient.

Importance of the business model

A company's business model directly impacts the amount of greenhouse gases (GHGs) it generates and how those gases are calculated and classified. In general, the more vertically integrated the company, the greater the potential for GHG generation by that company.

Bell is a case in point. To deliver quality service to our customers, maintain direct control over operations, and promote business continuity that provides secure employment and career development potential, we have vertically reintegrated many of the functions that are often outsourced by other companies in our industry. For example, our operations include installation technicians (Bell Technical Services (BTS)) and many construction projects (Expertech Network Installation Inc. (Expertech)) that depend on a fleet of vehicles to take team members to our customers and job sites. These activities increase our Scope 1 GHGs (direct GHG emissions from sources that are owned or controlled by Bell) relative to other telcos that outsource such functions.

Also, we have become more diversified in our effort to facilitate sustainable growth in the business. For example, we created Bell Media Inc. (Bell Media) after acquiring broadcast and other media companies such as CTV Globemedia Inc. and Astral Media Inc. This has increased our overall consumption of energy that we account for in our Scope 2 emissions (indirect GHG emissions associated with the consumption of purchased electricity, heat, steam, and cooling). That said, it does not necessarily mean Scope 2 emissions have increased since Bell Media assets were separate, non-BCE operations.

Our integrated structure also affects the waste we generate. In contrast to other telecommunications companies, Bell has integrated production, installation, and construction functions. This means that we are accountable for managing waste created through these functions, unlike companies that outsource these operations. We could outsource, and thereby reduce, our waste-to-landfill quantity, but that would not necessarily improve overall waste sent to landfill. In addition, by managing our network waste ourselves, we maintain control over functions that directly impact customer service and operations.

1 *According to research done by the Canadian Radio-television and Telecommunications Commission (CRTC): http://www.crtc.gc.ca/eng/publications/reports/policymonitoring/2016/cmr2.htm*

Information security and privacy	As devices connected to the Internet become smarter, and as data-transmission volumes increase, there is greater risk of security breaches. Bell seeks to deliver the highest levels of information security through the protection and effective organization of systems, applications, and information repositories. This is vital to the secure operation of our networks and business and critically important to our customers who, along with our team members, rightly expect that we protect their identities and information.
Electronic waste (e-waste)	Marketplace experience is confirming that, as faster and smarter devices are developed, customers need and want to replace devices more often. That creates more waste. Bell makes every effort to recover unwanted equipment, even from our competitors' customers. This is an important objective, given that all electronic components, such as cathode ray tubes, may contain environmental contaminants including lead, cadmium, beryllium, and brominated flame retardants that generate significant risks for workers and communities involved in the recycling and disposal of e-waste. We also take great care to avoid leaks of hazardous materials from landfills and incinerator ashes. As a reseller of electronic products, Bell also takes proactive steps to help consumers properly dispose of their unwanted items.
Supply chain	We rigorously monitor and manage supply-chain issues. This is especially important because we do not manufacture any of the business services solutions products we offer customers. We work with a limited number of manufacturers, some of which dominate the global market. That means we must remain vigilant in our supply-chain management because some of these suppliers operate in countries cited for human rights and environmental violations, especially as related to rare earth minerals such as gold and tin.

Key objectives and results

We have identified several priority areas for key performance indicators and which encompass all sectors of corporate responsibility. Here is a summary of our progress against objectives in 2016.

TOPIC AREA	INDICATOR	VERIFICATION	2016 OBJECTIVES	2016 RESULTS	2015 RESULTS	TREND	CHANGE	2017 OBJECTIVES	GRI INDICATOR	RELATED SDG	RELATED GLOBAL COMPACT PRINCIPLE
GOVERNANCE	ISS Governance Quality Score[1]	ISS	Remain a leader in corporate governance and ethical business conduct by maintaining best practices, transparency, and accountability to our stakeholders.	1	1	→	–	Remain a leader in corporate governance and ethical business conduct by maintaining best practices, transparency, and accountability to our stakeholders.	–	16	1 -10
	Management system certification[2]	BSI Management Systems America, Inc.	Maintain ISO 14001 certification for our EMS.	YES 8th year in a row.	YES 7th year in a row.	→	–	Maintain ISO 14001 certification for our EMS.	–	–	8
CUSTOMERS	LTE-Advanced coverage	PWC[3]	Begin reporting LTE-Advanced coverage.	73%	48%	↑	1	76%[4]	–	9	–
TEAM MEMBERS	Overall employee engagement score	PWC	Continue to improve employee engagement.	75%	77%	↓	2	Continue to improve employee engagement.	–	4, 5, 8	–
		n/a	Maintain engagement score above Canadian norm.	✓	✓	→	–	Maintain engagement score above Canadian norm.	–	4, 5, 8	
	Time lost accident frequency rate[5]	PWC	Time Lost Accident Frequency Rate.	1.06	1.07	↓	0.01	Time Lost Accident Frequency Rate.	G4-LA6	3, 8	1, 2
COMMUNITY	Community investment	PWC	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.	$20.1M[6]	$19.4M	↑	0.7	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	3	–
ENVIRONMENT	Greenhouse gas (GHG) emissions	PWC	Reduce annual GHG emissions intensity by 5% of Business As Usual levels (BAU) by the end of 2020. Continue to report our GHG emissions.	310.97 kt of CO_2 equivalent	363.75 kt of CO_2 equivalent	↓	-15%	Reduce the ratio of our Scope 1 and 2 GHG emissions (tonnes of CO_2 equivalent) to our network usage (PBytes) by 75% of 2014 level by the end of 2020[7]. Continue to report our GHG emissions.	G4-EN15 G4-EN16 G4-EN17	7, 8	7, 8
	Diversion rate for recovered waste	PWC	75%	69%	71.6%	↓	1.4	Redefine our objective in light of the recent business transformations. Continue to report our waste and recovery performance.	G4-EN23	3, 5, 12	7, 8
	e-bills[8]	PWC	50%	48.8%	46.1%	↑	2.7	51%	–	–	7, 8, 9

1 *Score as of April 2017. We report the most recent update to our score at the time of publication because it reflects performance for the previous year. 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, broadband, data hosting, and cloud computing services, in addition to related general administrative functions (excluding BCE Nexxia USA., Northwestel Inc. (Northwestel), Bell's Atlantic operations, The Source (Bell) Electronics Inc. (The Source), and Bell Media, which are part of the environmental management system, but not within the scope of certification)*

3 *PricewaterhouseCoopers LLP*

4 *The percent of population covered depends upon the plans of our partners, which are not yet fully known, and which could influence the final result*

5 *Time Lost Accident Frequency Rate = number of time-lost accident cases ÷ number of worked hours x 200,000*

6 *This includes cash donations, in kind donations, and management costs*

7 *New indicator*

8 *OBM Bell West Single View is not included.*

Team members

BELL IS RECOGNIZED AS ONE OF CANADA'S BEST DIVERSITY EMPLOYERS

BELL RECOGNIZED AGAIN AS ONE OF CANADA'S TOP 100 EMPLOYERS

Engaged expertise

Bell's goal is to be recognized by customers as Canada's leading communications company. To achieve that goal, we rely on the engagement and expertise of our team members. We focus on attracting, developing, and retaining the best talent, as well as creating a positive team member experience that drives effectiveness, high performance, and agility in our evolving business environment. Through workplace wellness initiatives – including innovative mental health programs – and by celebrating diversity in the workplace, we reinforce our commitment to creating an inclusive atmosphere for all team members.

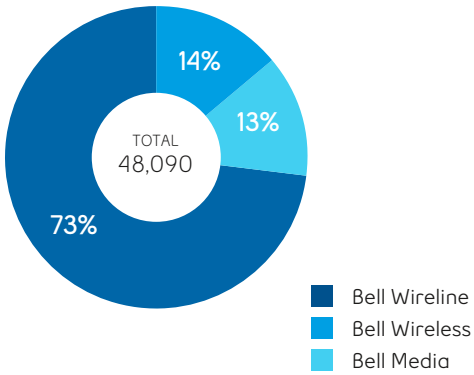
BCE HAS
48,090
TEAM MEMBERS

Our team

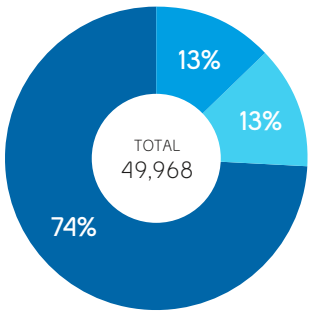
At the end of 2016, we numbered 48,090 team members working in thousands of locations in urban and rural areas across the country. Our diverse team is highly skilled in a broad range of jobs, working in environments designed to support an engaged workforce and a performance-driven culture.

By the start of 2017, we had 1,878 fewer team members than a year earlier due primarily to workforce reductions across our Bell Wireline and Bell Wireless segments attributable to normal attrition, retirements, and productivity improvements. Approximately 44% of BCE team members are represented by labour unions.

BCE 2016 employees



BCE 2015 employees



Our workforce

METRIC	2016	2015
% unionized team members	**44%**	45%
Number of team members	**48,090**	49,968
Voluntary turnover[1]	**12.1%**	13.8%

1. *Temporary employees for The Source, BTS, and Expertech are excluded.*

Total workforce by region

REGION	2016	2015
Alberta	**3.5%**	3.6%
British Columbia	**3.9%**	3.8%
Manitoba	**0.7%**	0.8%
New Brunswick	**3.1%**	3.2%
Newfoundland & Labrador	**2.4%**	2.5%
Nova Scotia	**3.7%**	3.9%
Ontario	**49.6%**	49.4%
Prince Edward Island	**0.4%**	0.4%
Québec	**29.7%**	30.6%
Saskatchewan	**0.7%**	0.8%
Yukon, Nunavut, and Northwest Territories	**1.2%**	1.1%

Workplace, human rights, and privacy

Canadian employment standards context

Bell makes every effort to maintain an inclusive work environment where all team members are valued for their contributions and have the freedom and protection to be who they are, free of discrimination, harassment and violence. Our commitment to high workplace standards and our desire to provide team members with a fair, equitable and respectful place to work are grounded in the Code of Business Conduct and reinforced daily through many programs, initiatives, processes, and policies that touch all team members. 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, breaks, birth and adoption leave, personal emergency leave, family medical leave, and termination notice and termination pay. In many cases, Bell's policies and programs exceed minimum legal requirements.

Human rights

To specifically support our commitment to human rights, Bell provides team members with information on roles, the accommodation process, resolution options, and other tools. These include a formal process and informal options to resolve accommodation issues for which the Human Resources workplace practices team is accountable. Unionized team members are protected through the 3-step resolution process in their collective agreement. Cases that are more complex are taken to an accommodation committee.

Internal complaint resolution

Bell offers team members a whistle-blowing channel where they can anonymously report any incidents they believe may contravene our policies or ethical standards. An independent administrator continually monitors this channel and responds to complaints.

Privacy

Bell and its affiliated companies have long been focused on maintaining the accuracy, confidentiality, security, and privacy of personal information for customers and team members. Bell's privacy policy provides clear direction to team members about their responsibilities for safeguarding personal information. We also publish updated information on our website that clearly defines roles, processes, training support, and more. Team members can also address questions and obtain support through the privacy mailbox, which is monitored and promptly answered by the privacy coordinator.

Diversity and inclusion

At Bell, we are proud of our commitment to fostering an inclusive, equitable, and accessible workplace, where all team members and customers feel valued, respected, and supported. We are dedicated to building a workforce that meets federally regulated employment-equity targets and reflects the diversity of the communities we serve, with a commitment to seeking to ensure every team member has the opportunity to reach his or her full potential. Under the direction of our Diversity Leadership Council, we seek to ensure our business strategy and human resources policies are aligned with our diversity and inclusion goals. We recognize that diverse perspectives enhance our team's ability to innovate and enable us to provide best-in-class service to our customers.

Performance in 2016

We are proud that our programs enabled Bell to be named one of Canada's Best Diversity Employers in 2017. This award recognizes employers who lead the way in creating an inclusive environment where individuals from a wide variety of backgrounds are valued.

Our diversity and inclusion strategy, coupled with higher rates of self-disclosure, have significantly increased the share of visible minorities, persons with disabilities, and Aboriginal peoples in our workforce. We have maintained our strategic focus on making our senior leadership team more representative of our overall team member population through focused talent management strategies and best-in-class development programs for high-potential leaders, including under-represented groups.

Bell continues to blaze the trail for women in the communications industry. In 2016, several of our senior female leaders were recognized with awards of achievement, such as the Women in Communications and Technology Leadership Excellence Awards and Canada's Top 100 Most Powerful Women.

We recognize the value of our diversity through numerous events that support inclusion and by empowering a variety of internal organizations, such as our Women at Bell and Lesbian, Gay, Bisexual, and Trans-identified (LGBT) team member networks. We also added Bell's voice to national celebrations, such as International Women's Day, Black History Month, and International Day of Persons with Disabilities. The impact of these initiatives is apparent in the results of our annual team member survey, where 85% of team members responded favourably to the statement "People of all backgrounds (cultural, gender, age, religion, disability, etc.) can succeed in my company."

Our diversity and inclusion strategy, coupled with higher rates of self-disclosure, have significantly increased the share of visible minorities, persons with disabilities, and Aboriginal peoples in our workforce.

In 2016, Bell initiated two strategic partnerships to increase hiring from under-represented groups. We partnered with Prince's Charities Canada and other business and community leaders to fund an employment and mentorship initiative for Aboriginal youth called Kiinago Biinoogi Muskiiki: 'Our Children's Medicine'. We participated in career markets and other programming that touched more than 1,500 Aboriginal youth and job seekers in Southern Ontario. We also partnered with Lime Connect, a not-for-profit organization that brings together companies and high-potential candidates with disabilities. Through Lime Connect's national membership, more university students and experienced professionals have access to opportunities at Bell.

Diversity

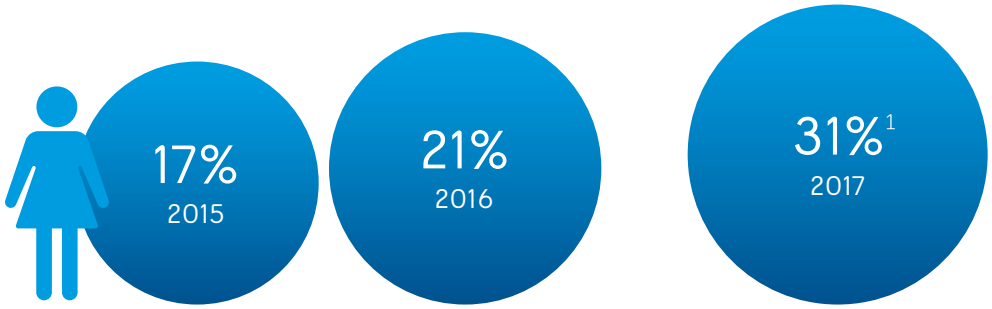
	WORKFORCE			SENIOR MANAGEMENT[1] (%)		
DIVERSITY GROUP	2016 LMA[2]	2016	2015	2016 LMA[2]	2016	2015
Women	**34.4**	**33.6**	34.2	**27.4**	**29.3**	25.9
Visible minorities[3]	**20.5**	**19.0**	19.0	**10.1**	**8.6**	8.4
Persons with disabilities[3]	**4.6**	**4.0**	3.7	**4.3**	**2.1**	3.5
Aboriginal peoples[3]	**1.9**	**2.3**	2.1	**2.9**	**0.7**	2.1

1 *Vice Presidents and above*

2 *Occupational labour market availability (LMA) 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 based on the December 2016 headcount. The data are provided to Bell by the Canadian government and are based on the 2011 National Household Survey information*

3 *Data for these categories depend upon full-time and part-time team member self-identification in Bell's diversity questionnaire.*

Percentage of women non-executive directors on the BCE Board



1 *Women now represent 31% of non-executive directors following the election at the 2017 Shareholder meeting, held on April 26.*

Goals

Looking ahead, we will work to enhance our diversity and inclusion strategy, set concrete objectives, and emphasize the importance of leading inclusively without unconscious bias.

This year, for the first time in the Canadian telecommunications and media sector, BCE adopted a target for the representation of women in executive positions (vice-president level and above) of 35% by 2021. This continues our commitment, as a signatory of the Catalyst Accord, to increasing the proportion of women on our Board of Directors to 25% by 2017. We had already surpassed this target by the end of 2016, with women representing 31% of our board members. We also continue to advocate for more women to take on roles in science, technology, engineering, and mathematics (STEM), and we will extend our efforts to increase the representation of other under-represented groups, such as visible minorities, Aboriginal peoples, and persons with disabilities.

As part of that work, and as part of developing our future employment equity plans, we will continue consultations with members of under-represented groups to understand their experiences at work. We will also continue to seek out and adopt best-practice standards on workplace accessibility and increase awareness and engagement through support for various diversity events, such as International Day Against Homophobia, Transphobia and Biphobia, and National Aboriginal Day.

This year, for the first time in the Canadian telecommunications and media sector, BCE adopted a target for the representation of women in executive positions (vice-president level and above) of 35% by 2021. This continues our commitment, as a signatory of the Catalyst Accord, to increasing the proportion of women on our Board of Directors to 25% by 2017.

Supplier diversity

At Bell, we also promote diversity among our suppliers. In 2014, we launched a supplier diversity program to boost the representation of women, Aboriginal peoples, LGBT, and visible minority-owned businesses in our supply chain. In 2015, the Procurement group incorporated supplier diversity into our corporate diversity and inclusion strategy, with the broad executive support of the Diversity Leadership Council. Bell participates in supplier-diversity industry events, maintains a diverse supplier database accessible to all Bell team members, refers a wide range of new suppliers to internal supplier management partners, and invites a broad mix of suppliers to more sourcing activities.

We also maintain memberships in Women's Business Enterprise (WBE), the Canadian Aboriginal and Minority Supplier Council (CAMSC), and the Canadian Lesbian and Gay Chamber of Commerce (CGLCC).

For more on how we manage our supply chain, please see the Economy and Society section of this report.

Mental health in the workplace

Since team members spend so much time on the job, one of the most important places to address mental health is in the workplace. At Bell, we believe taking care of the mental health of our team members is essential to their personal success and to our organization's ongoing progress. Accordingly, we continue to develop and implement leading mental health practices in the workplace in a variety of ways. We educate team members through our best-in-class training programs, support them through the Employee Family Assistance Program (EFAP), and create awareness through communication and engagement activities. Our commitment is stated in our mental health policy and reinforced in our Code of Business Conduct, which is reviewed annually by all team members. It is also reinforced in our day-to-day work and initiatives, which in 2016 included the following:

Mental health training

We expanded our mental health training with targeted efforts to reach all team leaders and provide training on a voluntary basis to all team members, with a special focus on union representatives and Health and Safety committee members.

Our leadership team is the cornerstone of culture change and support. Accordingly, our emphasis in 2016 was to encourage all leaders to complete the Workplace Mental Health Leadership certificate program, the world's first university-certified workplace mental health program, developed in partnership with Queen's University and our EFAP provider. Since its inception, more than 340 companies across Canada have participated in the program leading to a certificate from Queen's. The content helps leaders to build their skills in supporting their team members and applying healthy workplace practices, accommodation, and return-to-work best practices, while at the same time strengthening preventative techniques and integrating elements from the National Standard for Psychological Health and Safety in the Workplace.

2016 was a record year for our training program with more than 4,395 leaders taking some part of the training. To date, 9,365 leaders have completed the first module with more than 4,109 of them also having finished the second module.

Since its inception, more than 340 companies across Canada have participated in the the Workplace Mental Health Leadership certificate program, the world's first university-certified workplace mental health program.

Employee and family assistance program (EFAP)

A critically important tool for the management of team members' total health needs, including prevention of illness, the EFAP offers various counselling options for team members such as e-counselling, over the phone, a dedicated mobile app, and face-to-face counselling with accredited professionals.

In 2016, we augmented the support with new family-oriented services and launched 2 forms of group therapy for Parenting and Communications. Led by a counsellor, these sessions enable participants to build relationships, gain encouragement from others, and receive feedback on how to meet goals and overcome challenges.

Since the launch of Bell Let's Talk 6 years ago, and because of internal awareness campaigns and promotion, EFAP usage has increased 162%.

SINCE THE LAUNCH OF BELL LET'S TALK, EFAP USAGE HAS INCREASED 162%

Awareness and communication

Bell continued to provide team members and their families with expert insight and advice on health, wellness, and development-related topics through the LifeSpeak video library that offers content from internationally acclaimed experts, authors, professors, and medical professionals. In 2016, team members accessed these resources more than 12,200 times, up 56% over the previous year.

We offer team members a variety of events and special activities that promote awareness during Bell Let's Talk Day, Mental Health Week, Mental Illness Awareness Week, and National Suicide Prevention Day. Since 2010, Bell has organized more than 900 mental health events for team members across Canada, including seminars, workshops, information kiosks, and speakers. In 2016, we increased team member engagement in these events by more than 13%.

The Bell Let's Talk website and the mental health and wellness site launched in 2015 on our intranet continue to provide easy-access, centralized tools and resources for team members to learn, participate and stay informed. In 2016, team members accessed our mental health and wellness site more than 20,000 times, taking advantage of our comprehensive mental health resources, including articles, videos, and training, and a wide variety of other resources addressing total health.

Other initiatives

Our return-to-work program has been widely recognized for excellence and continues to yield promising results in terms of reduced rates of relapse and reoccurrence of disability leave. Mental health related relapses (within 1 month) and reoccurrences (within 1 year) are down 50%.

In addition, knowing that physical health is closely associated with mental health, Bell continued to promote our partnership with GoodLife Fitness. In 2016, more than 2,500 team members and their families took advantage of the significant corporate discount.

National Standard for Psychological Health and Safety

Bell continues to support and promote the adoption of the National Standard of Psychological Health and Safety in the Workplace across corporate Canada. Since the inception of the standard, we have shared best practices across hundreds of organizations in Canada to provide encouragement and guidance for others to implement healthier frameworks in their own workplaces.

Our 3-year project with the Mental Health Commission of Canada ended in 2016, and Bell is proud to be recognized as a leader in the implementation of the national standard. We will continue our commitment to the standard by building sustainable programs, such as:

- Linking our annual team survey questions to the 13 psychological factors as outlined in the national standard. These factors are known to have a powerful impact on organizational health and the well-being of individual team members
- Offering a Health Risk Assessment coincident with the benefits-renewal process, as we did in 2016. This increases awareness of the importance of establishing healthy physical and mental lifestyles. Coupled with the tools and resources we make available, this gives team members the opportunity to make better personal choices.

Recruitment/new talent

Attracting the best talent is important for Bell's evolving business environment if we are to continue to lead and win in a highly competitive marketplace. To secure access to top new recruits, we drive a variety of initiatives that build a community of job seekers through our Jobs@Bell site and social media, with a focus on recruiting from a diverse candidate base that reflects the customers and the communities we serve. We use various interview and assessment tools from psychometric assessments, business review case studies, language tests, and video interviewing to assess skills, potential, and fit.

In 2016, we hired more than 7,500 new team members, thanks in large part to our focus on expanded social media recruiting initiatives which generated more than 130,000 LinkedIn, Twitter, and Glassdoor followers, plus over half a million Talent Community followers.

We continue to concentrate on early-career and student hiring. On campuses, we sponsor student development initiatives and participate in over 40 student events, such as mock interviews, case competitions, and networking sessions throughout the school year to promote career development and relationship building. In all, we visited 20 universities in Ontario, Québec, and Atlantic Canada to promote our opportunities with new graduates, with an emphasis on attracting candidates to Bell's Graduate Leadership program, one of the largest initiatives in Canada dedicated to helping new grads become the next generation of leaders. The Graduate Leadership Program produced 20 future Bell leaders in 2016, for a total of 52 since its inception. Because of these efforts, Talent Egg recognized us as Best Grad Program in 2016.

As part of our diversity and inclusion strategy, we ask job seekers to self-identify so we can short list qualified candidates and ensure diverse representation. We also participate in and sponsor career fairs for diverse communities. These included: **Our Children's Medicine**'s Indigenous Career Market enabling job seekers from First Nations communities in Southern Ontario; Toronto's annual **Out on Bay Street** career fair to facilitate the professional development of lesbian, gay, bisexual, and trans-identified students; and **Lime Connect**'s Corporate Recruitment Receptions for students and experienced professionals who have disabilities.

We are proud to continue to be involved in the Hire a Veteran program through our partnership with Canada Company and the Military Employment Transition (MET) program. We provide training to our Bell recruiters to understand how veterans' skills are transferable and how to support veterans and reservists throughout the recruitment progress. We were again honored in 2016 to be named a Top Employer by the **Military Employment Transition (MET) program** with our hiring of 100 veterans.

Once team members are hired, their onboarding experience is critical to optimize their productivity and their sense of belonging as quickly as possible. Our 'Welcome to Bell' program is designed to help new team members feel connected to the organization and have the information needed for earlier success by providing information on Bell's strategy, key contacts, customers, culture, and processes.

In 2016, we hired more than 7,500 new team members, thanks in large part to our focus on expanded social media recruiting initiatives.

Learning and development

We offer a wide range of training for all team members, with specific and targeted training pathways to meet the demands of the changing industry environment and to enable our team members to fully develop their leadership potential and achieve their aspirations.

WE HAVE MORE THAN **8,000** ONLINE COURSES AVAILABLE 24/7 FROM ANY LOCATION

Training

Learning and development are powerful drivers of team member engagement and key to our ability to lead in growth services for our customers. Bell is committed to investing in learning and development options that are relevant and current, including emergent skill sets team members need to contribute to the business and achieve their career goals.

In 2016, we launched our revised mandatory training for our team members with a modular format to make it easier for team members to understand, retain and, most important, apply what they have learned. We continue to see a strong need for ongoing learning with a significant increase in team member use of our offerings. We have more than 8,000 online courses available 24/7 from any location. We also provide a wide range of certifications, including Microsoft technical certifications, and certification for product and project management, business analyst, and business unit-specific functions. We have been offering a leadership learning portal since 2015, designed to support leaders at all levels. It includes videos of industry and thought leaders, book summaries, blueprints for developing an organization, and short interactive practice courses for honing leadership skills. In addition, we made it easier for team members to apply for our Education Assistance Program, generating a 25% increase in participation. This helps team members pursue continuing education.

Leadership development

At Bell, we believe in supporting our team members to become effective and confident leaders. Bell's Leadership Development Pathway provides team members with a focused development plan to strengthen their skills, behaviors, and performance. The pathway is linked to the Bell Leadership Success Profile which identifies the skills, behaviours, and performance results that help team members succeed at each level. This year, we have launched 3 skill-building offerings focused on coaching, feedback, and career conversations. These help leaders have meaningful ongoing performance and development conversations.

Talent

Achieving through performance

We believe it is critically important to position our team members for success by providing them with clear targets that are based on a combination of personal objectives, business needs, and corporate strategy.

In our performance management process, team members participate in setting objectives that include demonstrating key leadership behaviors that are essential to succeed at Bell. This provides the opportunity for team members to see how the work they do connects with our 6 Strategic Imperatives and company goal. In our annual Team Member survey, we measure 'alignment' as a key index, placing importance on connecting individual objectives to those of leaders so that team members can see how their work contributes to success. This helps drive personal engagement and contributes to company performance.

We encourage leaders to have frequent and focused performance and development conversations with their team members. These conversations include tracking progress against objectives, identifying performance opportunities, and developing skills. At year-end, formal one-on-one discussions take place between team members and leaders to assess team members' performance measured against established objectives and Bell's leadership success profile.

We encourage leaders to have frequent and focused performance and development conversations with their team members.

Succession planning

Succession planning is an integral part of our talent strategy and our commitment to developing future leaders and evolve our talent pipeline. When we identify high-potential leaders at the senior manager and director levels, they benefit from structured, corporate-wide learning and development programs aimed at accelerating their growth and readiness for the next challenge.

In 2016, we continued to support our high-potential leaders through individual development planning via one-on-one coaching from our Talent Management team. We also continued to conduct regular annual succession planning and high-potential talent reviews at the most senior level with our CEO and senior executive team. The team reviews succession plans for all key positions in the company, focusing on development plans and progress since the last review.

We also expanded our next-generation programs in both scope and reach. We have opened up more opportunities for high-potential directors, including a cohort-based experiential strategic leadership program and a formalized peer-coaching network in Montréal and Toronto.

We offer our experiential leadership program to high-potential senior managers as well, involving more than 100 such leaders. This includes the multi-month program plus peer coaching. Building on our existing curriculum, we also developed an enrichment program focusing on advanced development in coaching and leadership self-awareness.

The success of our succession planning is evident: in 2016 every internal promotion at the vice president level, and 75% of those at the director level, came from our high-potential leadership pipeline.

In 2016, we continued to support our high-potential leaders through individual development planning via one-on-one coaching from our Talent Management team.

Executive leadership development

For our executive leaders, we invest in company-driven development tailored to individual needs and job requirements. We focus on capability building and engagement, as well as external education, such as executive MBA and other intensive development or networking programs. We also leverage many leadership and professional development tools including behavioural assessments and coaching for performance and development.

For 13 consecutive years, Bell has also sponsored participation by women executives in world-renowned education programs where they can share best practices and learn from each other. These include The Judy Project, Canada's leading forum preparing women to advance into executive leadership positions, and the International Women's Forum Fellows Program, a leading international women's executive development initiative.

Team member engagement

Enhanced team survey

Bell's ongoing commitment is to listen to team members and increase their engagement. One of the tools we use to this end is our annual Team Survey, which is designed to be completed quickly and easily in the official language of the team member's choice, accessible on both desktop and mobile devices. Capturing both quantitative and qualitative data, the survey focuses on understanding how engaged, agile and aligned team members are, asking them to rate their leaders in key areas specific to engagement, including communication, recognition, trust, and respect.

In 2016, we continued our partnership with a best-in-class vendor to get insight into key engagement indicators. This approach helps us implement focused actions to make positive changes. In addition, our survey tool enables us to conduct multi-variant analyses, such as, by geography, tenure, demographic, team, role, level, etc., to drill further into areas of opportunity.

In 2016, Bell's results continued to exceed the external Canadian benchmark.

82% of team members participated in the survey, with the following results:

81%
of team members are proud to work for Bell and excited about how their individual work contributes to the company's success

88%
report that their leader treats them with respect and 80% say their team collaborates well

82%
would recommend Bell's products and services to friends and family

78%
are confident about the future success of the company.

BELL REMAINS
10 POINTS
ABOVE THE CANADIAN NORM FOR TEAM MEMBER ENGAGEMENT IN 2016

Recognition – Celebrating work successes

Through a variety of recognition initiatives, Bell publicly and effectively values the work of team members. Our formal program recognizes contributions at 3 levels: local team, business unit, and corporate – with success celebrated informally and formally. Informal recognition includes public praise on team calls, team communications, or general thanks in meetings. We also celebrate service anniversary milestones every 5 years and honour our retirees with the traditional "President's Wallet" to recognize and thank them for their contributions.

Managers need multiple ways to give meaningful recognition to team members. In 2016, workshops were held to increase awareness of these opportunities.

Total compensation

Bell provides team members with total compensation packages that are competitive with the market, including salary, performance incentives, benefits, and retirement plans. We also offer added savings and wealth-building opportunities, including a share purchase plan (with company matching), group tax-free savings account (group TFSA) and a group retirement savings plan (group RSP). We also offer generous employee discounts on Bell services and purchases at The Source.

2016 Compensation

Bell offers a competitive compensation package that recognizes team members for their performance and aligns with our 6 Strategic Imperatives. Bell's 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 achievements. The Achievement Incentive Plan (AIP) covers more than 20,000 eligible team members. Over the last few years, team members eligible for the AIP have benefited from payouts that consistently paid very close to or above targets. To maintain market competitiveness, Bell reviews compensation levels at least once a year.

Each year, team members receive a comprehensive total compensation statement providing a complete picture that goes beyond salary and performance-based bonus payments to include the value of the benefits, pension plan, and team member savings. Delivered as a personalized statement, the document also serves to alert team members to other programs so that they may make the most of every benefit Bell offers.

Benefits

The health of our team members is our top priority. It is paramount, therefore, that Bell invest in programs that give team members more coverage and options that fit their individual circumstances. Our program is among the most generous on the market but, more important, it gives team members choices to lead an optimal, healthy lifestyle, with initiatives that address both physical and mental health. Effective January 1, 2016, we introduced an enhanced benefits plan offering team members additional flexibility in choosing the healthcare plan and life and accident insurance that best suit their evolving individual and family needs. The updated plan includes:

- An online health risk assessment questionnaire to further reinforce our commitment to support the health and well-being of our team members, followed by a personalized assessment report with ideas for improving physical and mental health
- New benefits coverage categories for couples and single parent families in addition to the current single and family category options; more options mean diverse family dynamics are covered
- Expanded list of healthcare professionals and optional critical illness insurance to protect against the financial burden of unexpected expenses caused by a critical illness
- A complementary program called the Health Service Navigator which offers integrated health information and support services to our team members and their families
- A higher vision-care maximum, increasing the potential reimbursement for glasses and contact lenses
- Personal Travel Insurance (including trip cancellation) which is now included in medical coverage, eliminating additional cost to team members to acquire this coverage.

In addition, in order to improve accessibility to healthcare for our team members, we partnered with a network of medical clinics, resulting in faster access to physicians close to some Bell locations.

We also introduced a state-of-the-art, mobile-accessible benefits and savings website featuring a fully personalized dashboard. This provides team members with their up-to-date personal situation in the company savings and retirement plans as well as their coverage under the life and healthcare plans. Through this site, team members can easily update their Life Event section, ensuring their benefits reflect key life or work events. More than 90% of our team members accessed the site and enrolled in the enhanced health plan.

As part of Bell's commitment to mental health in the workplace, Bell's benefits program reimburses services provided by psychologists and social workers up to a maximum of $1,500 per year for each person covered by the plan.

Retirement and savings

Financial security is important to our team members and we are committed to making it easy for them to invest for both the short and long term. Most Bell team members benefit from a defined contribution pension plan that offers an automatic 4% employer contribution plus a 2% employer match as well as other savings plans, such as a group RSP, a group TFSA and a share-purchase plan (the Employee Savings Plan, or ESP). Under the ESP, team members can have up to 12% of their annual earnings withheld through payroll deductions to buy BCE common shares. The company contributes $1 for every $3 a team member puts into the plan, up to a maximum of 2% of earnings. Shares purchased with company contributions are vested to team members after 2 years.

In 2016, we contributed $725 million to our various pension plans, including a $400 million voluntary contribution to our legacy defined benefit pension plan to enhance the security of pension benefits.

Key areas of our defined contribution pension plan were also refreshed in 2016. To encourage team members to save, the default team member contribution was set at 2% after 2 years of service, meaning team members may double their retirement savings compared to the previous default option. The investment fund line-up was changed to include an option which provides a more gradual reduction of risk over time. Because of these changes, more than 90% of team members are now maximizing the employer matching contribution and are invested in one of the Lifecycle funds.

In 2016, we contributed $725 million to our various pension plans, including a $400 million voluntary contribution to our legacy defined benefit pension plan to enhance the security of pension benefits.

Health and safety

Bell is focused on the safety and security of all team members, especially those who operate in a wide variety of environments, including data centres, manholes, telephone poles, cell towers, and vehicles. We work continuously to maintain effective processes and the flexibility to avoid injury, service interruption, fines, and reputational impact. We also provide team members with a process to manage health and safety complaints and accidents as well as training and accident prevention tools.

Our company's business model has an impact on the potential health and safety risks to team members. Unlike many communications companies, Bell is vertically integrated, meaning that the people who construct our networks across the company are mostly Bell team members, not contractors. Due to the nature of network construction work, especially in difficult terrain and weather, these team members face risks administrative and call centre team members do not. Our overall accident frequency for 2016 is 1.06 – stable year over year. In 2016, data for Bell Aliant was integrated into the overall calculation.

With the maturing of our health and safety management system, in 2016 we implemented Corporate Safety Action Plans within targeted lines of business. We will continue to roll out the action plans with the objective of establishing a reliable and effective set of prevention strategies.

We have centralized our incident investigation process to improve consistency across our program. This increases the quality of our trend analysis, allowing us to focus on developing and implementing prevention strategies. Over 2016, we have identified incidents involving ladders as an area to address.

In addition, we continued our efforts to address slip-and-fall accidents, implementing equipment (footwear) to mitigate risks for our technicians who work in the field. We will maintain focus in this area, as we saw a slight increase in such accidents, from 125 in 2015 to 130 in 2016.

We made significant progress with our contractor safety program, rolling out our prequalification tool across the company. More than 700 contractors are part of the system. Through the prequalification process, we reduced the number of contractors performing high-risk activities by approximately 14%.

To help us meet or exceed all Transportation Safety Board requirements, we hired an independent subject matter expert who reviewed 98% of Bell-owned helicopter landing sites accessible only by air. This review found that the vast majority of our sites are in excellent shape with a small number requiring minor ongoing maintenance such as clearing vegetation.

We also evaluated the safety programs of our main helicopter services providers to determine that they comply with industry-best practices and standards. We complemented this exercise by creating a Flight Hazard Assessment form that will be used by the pilots and our team members travelling by helicopter on each flight segment. This form is being trialed in Newfoundland and Labrador with implementation expected in 2017.

We have centralized our incident investigation process to improve consistency across our program.

Photo: © Éric Carrière

Awards

Canada's Top 100 Employers 2016

Canada's Top 100 Employers 2017

Canada's Best Diversity Employers 2017

Montreal's Top Employers 2016

Canada's Most Attractive Employers 2016 – Universum

TalentEgg Best Grad Program 2016

MET – The Military Employment Transition Program – top five MET Top Employer Award 2016

The Career Directory 2017 – Canada's Best Employers for recent graduates

2017 Canada's Greenest Employers

Customers

$850M
INVESTED IN THE SKILLS OF OUR CALL CENTRE REPRESENTATIVES AND FIELD TECHNICIANS

BELL HAS CLOSE TO
21 MILLION
SUBSCRIBERS ACROSS OUR FULL RANGE OF SERVICES

Delivering excellent service to our customers is the bedrock of Bell's role as Canada's largest communications company. In each and every interaction with customers, Bell strives to simplify and improve the experience. It is a key component of Bell's long-term success and the continued health of Canada's thriving and highly competitive communications industry.

Thanks to unparalleled investments in our world-class wireless and wireline networks, ongoing team training, and innovative new tools, Bell continues to attract subscribers. At the end of 2016, Bell had close to 21 million total subscribers across our full range of services, including 8.5 million wireless subscribers, 3.5 million high-speed Internet subscribers and 2.7 million television subscribers.

Bell is taking our services to more Canadians than ever before by leading the way in communications infrastructure and R&D investment, with capital expenditures of $3.77 billion in 2016 alone. These investments enable us to expand our broadband fibre and wireless networks to meet the accelerating demand for data. At the end of 2016, Bell's broadband footprint covered about 8.3 million homes and businesses, including 2.9 million fibre to the premises connections, while our national 4G LTE network reached 97% of Canadians and our Dual-band LTE Advanced network reached 73% of the population.

Over the last 5 years, we have invested $850 million to enrich the skills of our call centre representatives and field technicians as well as improve online customer self-serve options including MyBell.ca and the MyBell app. Increased usage of these tools led to a 6% reduction in the volume of calls to our service centres in 2016.

Innovation accelerates service quality

More Canadians than ever are taking advantage of online and app-based tools to manage communications services and pay their bills. Bell is making it easier than ever for our customers to take control of their accounts wherever they are.

In 2016, Bell introduced our revolutionary new Manage Your Appointment feature, which allows customers to confirm their service call while giving them access to important information, such as the name and approximate arrival time of their technician. The tool also allows technicians to access a customer's account history right on their mobile device, further improving service by reducing set-up time.

Bell also updated the entire welcome strategy for new Mobility customers, giving them key information in a variety of ways, including an in-store checklist and a customized video explaining their first bill, along with tips on how to add new features and check their data usage.

Customers responded to our enhanced features with a record 95% satisfaction rate in 2016, also driven by Bell technicians who arrived right on time for 97% of appointments. Thanks to ongoing process efficiencies, most service appointments are now scheduled within 2 days of a customer's order.

By prioritizing investment in customer service and advanced online tools, the number of complaints filed about Bell with the federal Commissioner for Complaints for Telecommunications Services (CCTS) fell 18%, continuing the improving trend over the last 3 years.

$3.77 BILLION
SPENT ON INFRASTRUCTURE AND R&D INVESTMENT IN 2016

Next-generation products

Bell services support a growing number of innovative products across a range of communications technologies.

Bell remained Canada's #1 TV provider in 2016 as customers chose the exclusive features available on Fibe TV over cable competitors. In 2016, Bell launched the Wireless 4K PVR, the Home Hub 3000 modem and Virgin Internet. We also became the first Canadian service provider to offer both Apple TV and support Netflix in 4K on Fibe TV. That's in addition to Bell-first features, such as Restart, Trending and the Fibe TV app. Bell also launched Own with Fibe, giving customers the opportunity to purchase On Demand movies to watch as many times as they want.

Bell Media's popular streaming service, CraveTV, hit a major milestone in 2016, surpassing 1 million subscribers and growing as fast this year as at launch in December 2014. CraveTV is available to any Canadian with an Internet connection, offering thousands of hours of programming from HBO, SHOWTIME, and other networks, along with original Canadian content.

BELL REMAINED
CANADA'S #1
TV PROVIDER
IN 2016

With the rapid pace of smartphone development, Bell Wireless customers have unparalleled choice in the latest technology with devices from manufacturers, such as Apple, Samsung, Google, LG, Sony, Blackberry, HTC, ZTE, Motorola, Novotel, and Alcatel.

Bell has made it easy for subscribers to take their device anywhere they travel with our Roam Better feature. Introduced in 2015, Roam Better includes unlimited talk and text plus 100 megabytes (MB) of data per day for $5 a day in the US. In 2016, Bell launched Roam Better in 110 popular destinations across Europe, the Caribbean, Bahamas, Bermuda, Mexico, Central and South America, Asia, Oceania, South Africa, and the Middle East for just $10 a day. Roam Better covers Bell customers in more locations than any other Canadian competitor.

Bell is staying on the cutting edge of mobile broadband technology and network development. In 2016 we partnered with Nokia to complete Canada's first successful trial of 5G wireless technology. Capable of speeds more than 6 times faster than those available today, 5G offers increased capacity for mobile video and Internet of Things (IoT) applications including connected vehicles. 5G is expected to be commercially available in 4-6 years.

Bell Media remains the largest media company in Canada, committed to significant investments across our media assets in order to provide customers with the best content available. In 2016, Bell Media became the sole provider of HBO Canada and expanded The Movie Network (TMN) nationally.

Bell Media's partnership with iHeartRadio in October 2016 brought Canadians instant access to all 105 Bell Media radio stations. The free iHeartRadio Canada digital app adds more than 100 exclusive streaming channels.

Network leadership

Bell's world-class networks are the key to our growth services offered by our Wireless, Wireline and Media segments. That's why we're investing more in infrastructure and R&D than any other Canadian telecom provider: $3.77 billion in 2016 alone. With the explosion of demand for data and increased wireless usage, Bell's 4G mobile network is consistently ranked Canada's fastest and largest LTE network. In a 2016 report that named Bell's wireless network the fastest in Canada for a second year in a row, *PC Mag* noted that "Bell's network in Toronto and Vancouver is spectacularly fast, exceeding anything we've ever seen in our US results."

BELL'S 4G LTE
NETWORK NOW
REACHES
97%
OF CANADIANS

Bell customers have access to a wide selection of LTE Advanced devices and were the first in North America to benefit from the very fastest LTE speeds available. Bell's 4G LTE network offering speeds of 75-150 Mbps (expected average download speeds of 12 to 40 Mbps) while our Dual-band LTE Advanced network offers speeds of up to 260 Mbps (expected average download speeds of 18 to 74 Mbps). Our latest wireless network service is Tri-Band 4G LTE Advanced, which is available in Halifax, Fredericton, Moncton, Toronto, Hamilton, and Oakville, with download speeds of up to 335 Mbps (expected average download speeds of 12 to 100 Mbps).

Launched in 2015, Gigabit Fibe delivers the fastest Internet available with download speeds of up to 1 Gigabit per second and more. Approximately one-third of homes and businesses inside Bell's wireline footprint will be able to access Gigabit Fibe service by the end of 2017. In March 2017, Bell announced an $854 million investment to deploy Gigabit Fibe fibre-to-the-home network to 1.1 million customer locations across Montréal over the next few years.

Bell supports the largest fibre network in Canada, spanning more than 196,000 kilometres. An Internet performance report commissioned by the Canadian Radio-television and Telecommunications Commission (CRTC) and released in March 2016 found that fibre-to-the-home (FTTH) connections like Bell's delivered the lowest levels of latency and packet loss.

Bell supports the largest fibre network in Canada, spanning more than 196,000 kilometres.

Canadian businesses run on Bell

Bell understands that our networks and services play a critical role in keeping Canadian businesses productive, connected, and competitive in a global economy. Bell offers tailored solutions to both small business and enterprise clients through dedicated pages on Bell.ca, where businesses can order services and connect with specially trained staff. In 2016, we made it even easier to connect to our services by delivering same day service for small business 73% of the time, a 98% improvement since 2014.

Bell further boosted its business markets leadership by expanding Canada's largest network of data centres with the acquisition of Q9 Networks Inc. Connected by our leading broadband fibre networks, Bell data centres deliver secure managed hosting and cloud solutions to business and government so that our customers can avoid the high costs of maintaining in-house facilities and expertise.

Bell also became the first Canadian provider to offer businesses access to Microsoft Azure ExpressRoute, while our partnership with IBM Canada Limited delivers exclusive access to IBM MobileFirst for iOS apps. In addition, Bell expanded Bell Total Connect – a powerful suite of next-generation business communications tools used by large enterprises – to small-business customers.

Enhancing our retail footprint

Thanks to highly-knowledgeable retail staff, continual upgrades to store design and the most innovative products, Bell is setting the pace in a very competitive communications market.

Bell is expanding our reach across the country with a growing network of retail outlets, including about 1,400 Bell-branded stores and The Source locations. Glentel, which is 50% owned by Bell, is responsible for another several hundred more locations, operating under brands such as WIRELESSWAVE, WIRELESS etc., and Tbooth wireless.

Bell MTS: bringing better service to Manitoba

Completed in March 2017, the transaction uniting Bell and MTS will significantly enhance Manitoba's broadband infrastructure and improve the service provided to consumers across the province.

Bell's plan to invest $1 billion in Manitoba over the next 5 years includes bringing Gigabit Fibe Internet, Fibe TV, and our LTE wireless network to urban and rural areas, including Winnipeg's "Innovation Alley" hub, Thomson, Flin Flon, Brandon, and the Arctic port of Churchill. Customers in Manitoba will benefit from Internet speeds up to 20 times faster than those currently available.

Bell MTS serves approximately 710,000 broadband wireless, Internet, and IPTV customers, including more than 470,000 wireless subscribers.

Responding to outages and emergencies

Bell technicians are on the front lines when extreme weather disrupts communications services, working to keep our customers connected and safe.

When a sinkhole opened in downtown Ottawa on June 8, our field technicians moved quickly to repair damaged cables and re-establish temporary service while working to implement a permanent solution.

During a very busy July 1 Move Day in Québec, our technicians set a record by meeting the customer appointment promise 98.6% of the time, while also maintaining same day/next day residential results at 95%, despite extremely high demand.

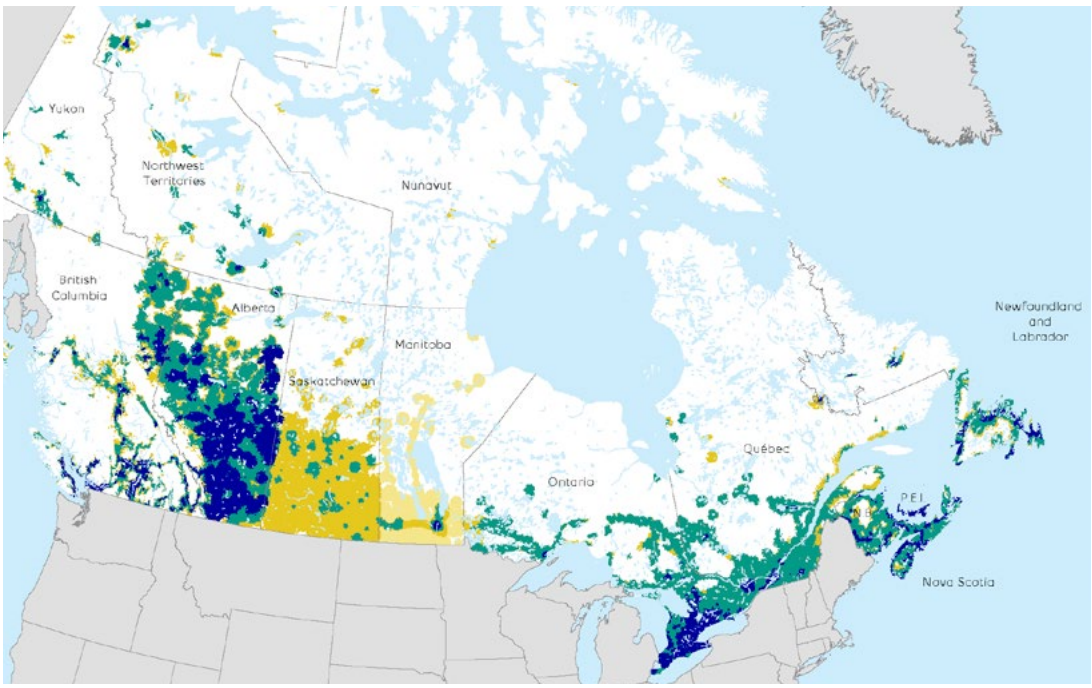
During a very busy July 1 Move Day in Québec, our technicians set a record by meeting the customer appointment promise 98.6% of the time.

An essential link for communications and commerce

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

To address strong customer demand for a vast number of data-dependent applications, gaming, and streaming video services, Bell continuously upgrades and grooms its core IP VPN (Internet Protocol, Virtual Private Network) so that customers can rely on its robust ability to transmit voice and data between main communications hubs across Canada.

Coverage map



- LTE Advanced (LTE-A): expected average download speeds of 12-100 Mbps
- 4G LTE: expected average download speeds of 12-40 Mbps
- 4G HSPA+: expected average download speeds of 3.5-14 Mbps
- Extended (EXT)

Privacy and data security

Bell makes every effort to safeguard private and confidential customer information, to preserve and grow both the trust of our customers and our reputation as a leader in customer security.

The measures undertaken to protect customer information are explicitly laid out in the Bell Privacy Policy and reinforced continuously through extensive privacy training by all Bell team members to make them aware of and respect the rights of consumers. Every year, Bell team members must review and sign a code of business conduct that requires, among other things, the safeguarding and proper use of customer information.

Bell will not disclose a customer's confidential information to government agencies unless specifically compelled to do so by a legal authority or in the case of an emergency where the life, health or security of an individual is threatened. In normal circumstances, Bell will not disclose customer information without that customer's consent.

Bell is also dedicated to protecting its network, systems, applications, data centres, records, and the business and personal information they contain against any and all threats, including cyber attacks, unauthorized access or entry, damage from fire, natural disaster, and other events. Given that the vast majority of Canadian corporations use Bell services, we understand and make every effort to protect the competitiveness of Canadian business by seeking to maintain network security and stability. That entails continuous investment to upgrade performance in order to meet our objective to have out network available 99.99% of the time. We also deploy defensive layers and controls, such as system disruption protection, malware detection, security event monitoring, data loss prevention, and intrusion prevention. By engaging in rigorous monitoring of network operations and regular testing, including fire drills, Bell seeks to ensure our network is prepared for any eventuality.

Bell is also an active contributor to the global conversation on privacy. As a participant in the not-for-profit, member-driven Information Security Forum, Bell helps lead the establishment and evolution of security and risk management practices. We also adhere to a number of international security standards and frameworks, including ISO 27001 (an international standard for information security management), the Payment Card Industry (PCI) Data Security Standard, and the Information Security Forum Standard of Good Practice.

More information on our privacy policy, including answers to frequently asked questions, is available on our website at Privacy at Bell.

Protection of minors

Bell supports awareness and education for youth and parents on Internet safety through sponsorship 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.

Accessibility

Bell believes the benefits of mobile technology should be easily accessible to everyone. Through initiatives like our Accessibility Services Centre, Bell is helping to break down the barriers that limit access to communications technology for customers with speech, cognitive, physical, hearing, and vision-related disabilities.

Designed to meet the Web Content Accessibility Guidelines AA rating, our Accessibility Services Centre provides enhanced navigation for screen readers and keyboards. We offer a Mobile Device Selector tool to help customers find devices with features such as screen magnification, TTY (teletypewriter) compatibility, external Braille support, and guided access mode. We also provide a dedicated team of agents, specially trained in the entire line of Bell products, services, and accessibility options.

Our many accessibility initiatives are made possible in part by Bell's deferral account-related program approved by the CRTC, through which we are investing $25.4 million to fund initiatives that improve accessibility for persons with disabilities in Ontario and Québec.

In February 2016, Bell launched a number of new accessible products and support services, including those with screen readers and hearing aid compatibility, video conferencing, assisted messaging, and voice calling services. The Mobile Accessibility app (available at no charge to Bell customers) integrates with the Android operating system to enable blind and low-vision customers to better navigate their devices.

Bell also actively supports the introduction of Video Relay Service (VRS) in Canada, an initiative that will replace traditional TTY telephone calling for sign-language users. VRS enables users to connect by video link to a sign-language interpreter who can provide real-time interpretation of telephone conversations. Working with the CRTC and the Canadian Association of the Deaf (CAD), and as a member of a provisional Board of Directors for a new central administrative body established by the CRTC, Bell is committed to seeing VRS launch in Canada in a timely and efficient manner.

Bell strives to remain among the world leaders in the accessible mobile telecom space. Through our membership in the Canadian Wireless Telecommunications Association (CWTA), Bell actively participates in the Wireless Accessibility Committee, which focuses on accessibility issues for mobile products and services across Canada. For more information on accessibility at Bell, please visit our Accessibility Services Centre.

Strong service momentum in 2017

Through constant investment, research, innovation, and feedback from our customers, Bell is bringing more value to Canadians while continuing our transformation strategy as Canada's broadband leader. Serving customers is at the heart of what we do. That's why Improving Customer Service is one of Bell's 6 Strategic Imperatives. Whether customers reach us through a call centre, online through Chat LIVE, at one of our many retail locations, or in the field, Bell is committed to delivering a better customer experience at every level.

Community

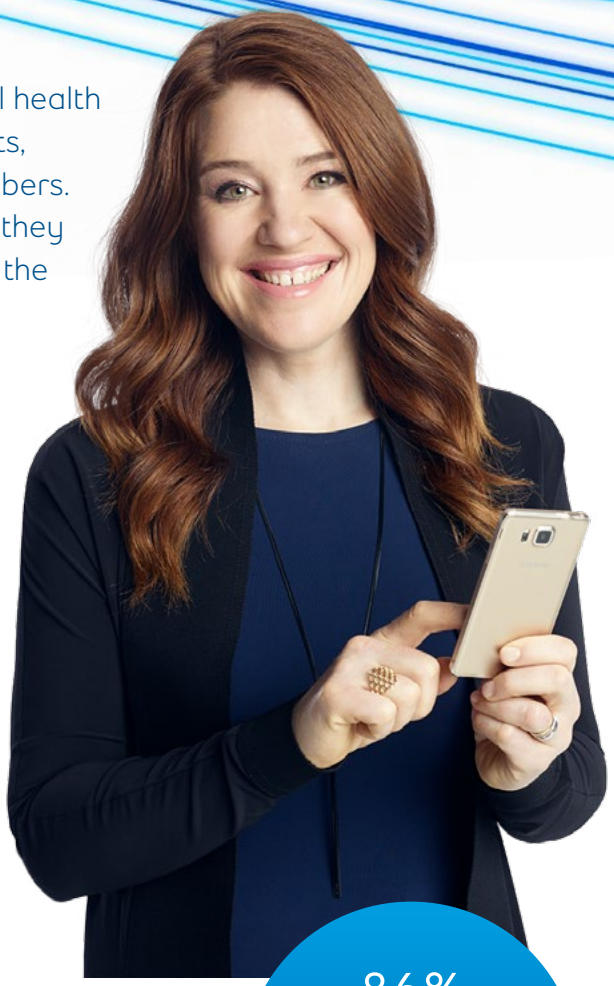
BELL LET'S TALK CURRENT COMMITMENT IS IN EXCESS OF
$86.5M

131,705,010
MESSAGES OF SUPPORT ON BELL LET'S TALK DAY IN 2017

Clara Hughes | Michael Landsberg | Mary Walsh | Howie Mandel | Serena Ryder

Bell invests in the communities we serve – and in the broader country as a whole – through the national Bell Let's Talk mental health initiative as well as through a wide range of community projects, sponsorships, and the volunteer engagement of our team members. These initiatives not only strengthen the communities involved, they also increase team member engagement because they reflect the deeply held values of team members.

Bell contributed $20.1 million in community investment in 2016. In addition to the support provided through Bell Let's Talk, Bell supports a wide range of community initiatives, including programs for children and youth, and arts and culture.



Bell Let's Talk

Bell Let's Talk launched in September 2010 as a five-year, $50 million program to help create a stigma-free Canada and drive action in mental health care, research, and the workplace. In 2015, Bell extended its commitment to mental health by another 5 years and at least $100 million, with total current commitment in excess of $86.5 million. From its inception, Bell Let's Talk has been the single largest corporate commitment to mental health in Canada.

Bell Let's Talk is helping Canada move mental health forward based on four action pillars: anti-stigma, care and access, new research, and workplace leadership. Through the program, we are making a tangible difference for Canadians in a variety of ways, including:

86%
OF CANADIANS SAY THEY ARE MORE AWARE OF MENTAL HEALTH ISSUES THAN A FEW YEARS AGO

Anti-Stigma

Overall, 86% of Canadians say they are more aware of mental health issues than they were a few years ago; 82% believe attitudes have improved and 72% believe stigma has been reduced; 88% would be more likely to seek help

The change is more striking among young people aged 18-24: 91% are more aware of mental health issues than they were a few years ago, 88% think attitudes are better, and 76% believe stigma has been reduced.

Care and access

Bell Let's Talk has funded more than 700 partner organizations.

6,000
volunteers have received mental health training

1,790,000
Canadians were provided with mental health support through a Bell Let's Talk funded program

320,000
of these recipients are children and youth

1,051,000
accessed support through crisis and distress lines

7,000
Canadian military families have received mental health support.

New research

In early 2017, Bell Let's Talk renewed its $1 million funding for the world's first and only mental health and anti-stigma research chair at Queen's University. Our research contributions also include $2 million to Canada's only brain bank, the Douglas-Bell Brain Bank, and support for Canada's next generation top talent, through a $1 million research training fund in partnership with Brain Canada.

Workplace leadership

As a leading employer, Bell has set an example as a funder and an early adopter of the voluntary National Standard for Psychological Health and Safety in the Workplace. We have also developed best practices for workplace health, including an enhanced return-to-work program, easy access to information, resources for team members, and the creation of a culture of support. For more details on workplace health initiatives, please refer to the Mental health in the workplace segment in the Workplace section of this report.

Another record Bell Let's Talk Day

People across the country and around the world continue to join the Bell Let's Talk Day conversation in unprecedented numbers, helping to reduce stigma and make the future brighter for the millions of Canadians affected by mental illness.

On January 25, 2017, during the seventh Bell Let's Talk Day, Canadians and people worldwide responded with a record 131,705,010 texts, calls, tweets, and interactions on Facebook, Instagram, and Snapchat in support of mental health. With Bell donating 5 cents for every interaction, this added $6,585,250.50 to our commitment to Canadian mental health, which has now reached $86,504,429.05.

This year again, Serena Ryder, Marie-Soleil Dion, and Étienne Boulay added their voices to those of Clara Hughes, Michael Landsberg, Howie Mandel, Mary Walsh, Michel Mpambara, and Stefie Shock as Bell Let's Talk campaign spokespeople. They were joined by dozens of corporations (including competitors), major sports teams, and not-for-profit organizations, such as university sport conferences.

Thanks to international media coverage, many prominent Canadian and global figures joined millions of Canadians in the Twitter conversation. In fact, #BellLetsTalk was the #1 Twitter trend in Canada and worldwide on that day.

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Our commitment to Canadian mental health has now reached

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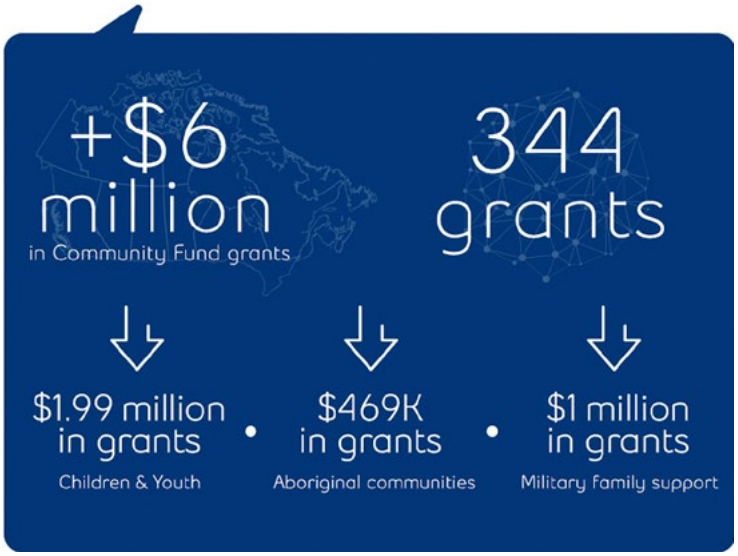


Bell Let's Talk funds several new mental health projects

Bell continued to invest in a broad selection of innovative programs aimed at improving care and access to care for those with mental health issues. Our major new commitments in 2016 and early 2017 included:

$1 million matched by provincial government funding in each Atlantic province, to expand the work of the Strongest Families Institute in the region

$300,000 to 2 health foundations in Québec's Lanaudière region to develop services tailored to clients in the region with mental health challenges

$250,000 to McGill University's Montréal Neurological Institute and Hospital to help improve access to mental health services focused on the needs of multicultural communities

$250,000 in partnership with Northwestel for a mental health program to be delivered by Nunavut's Embrace Life Council

$150,000 for St. John Ambulance to incorporate a mental health module in its first aid courses

$1 million in one-time grants of up to $25,000 to 72 additional community organizations through the Bell Let's Talk Community Fund to improve access to mental health services at the local level

$250,000 in one-time grants to 13 community organizations through the Bell True Patriot Love Fund, providing mental health support to military families and veterans across Canada.

Other partnerships include:

$150,000 for the Nunatsiavut Government's Aullak sangilivallianginnatuk – Going Off, Growing Strong program to enhance mental health services for youth in Nain

$1 million to Vancouver General Hospital and the University of British Columbia Hospital Foundation to support the new Joseph & Rosalie Segal Family Health Centre, the largest purpose-built mental health facility in British Columbia

$1 million to the Fondation de l'Institut universitaire en santé mentale de Québec (FIUSMQ) to support ground-breaking research in biological diagnostics for early detection of mental illness through the retina

$1 million from Bell Let's Talk and RBC to Rise Asset Development to facilitate the expansion of Rise programs across Ontario, providing 50 new low-interest small business loans and training and mentorship to men and women with a history of addiction or mental health challenges

$500,000 in partnership with CHU Sainte-Justine to enable Québec's first Integrated Mother-Child Centre for Eating Disorders to open a day hospital that will provide an intermediate level of care

$500,000 in partnership with the government of Yukon and Northwestel for the FRIENDS cognitive behaviour group-based intervention program, providing mental health prevention and treatment services for adolescents at risk

$150,000 in partnership with the Canadian Red Cross for new training to help both first responders and the general public provide mental health support in emergency situations.

In early 2016, the Centre for Addiction and Mental Health (CAMH) and Bell Let's Talk launched the Portico Network, an online interactive platform that connects health and community service providers to the latest clinical tools, resources, and information about treating mental illness and addiction.

Team member giving

Bell is also committed to encouraging our team members' values and aspirations by actively augmenting the support they provide to a wide range of interests that go beyond the corporate focus on mental health. Through our 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, which means that 100% of the funds go to the charity. Bell also provides grants to charities based on and in recognition of the volunteer time commitments of team members themselves.

OUR TEAM DEVOTED MORE THAN **336,000** HOURS OF VOLUNTEER TIME

Through the Employee Giving Program, Bell team members and pensioners donated $2.2 million to charities in 2016. Collectively, our team devoted more than 336,000 hours of volunteer time to build stronger communities through their support of sport and charitable organizations. Throughout the year, Bell volunteers could be found building homes, putting care packages together, cleaning up community centres, fundraising, and collecting toys and school supplies for kids, to name just a few of their activities.

Bell is also a founding partner of **Kids Help Phone**, supporting the mental health and well-being of young people. Employee volunteers continue to help organize and participate in the annual fundraising event, Walk So Kids Can Talk. In 2016, Bell Canada, Bell Media, Bell Aliant, and The Source team members canvassed for pledges and participated in local walks, raising a total of $317,246. Since the event began in 2002, Bell team members have raised more than $10.5 million.

At the Walk So Kids Can Talk in 2016, teens were invited to write a message on a Bell Let's Talk t-shirt.

Children and youth

Our young people face challenges that simply did not exist for earlier generations. Many of these have emerged as the result of the evolution of communications technology, giving Bell a special role in helping our communities and families deal with them. To that end, Bell partners with organizations such as the Canadian Centre for Child Protection, MediaSmarts, Free the Children, Computers for Schools and programs like Backpacks for Kids, RE*Generation, and online safety initiatives. These initiatives help Canadian children overcome difficulties, build self-esteem, play, learn, and grow in new ways.

Online safety

Bell is dedicated to keeping Canadian children safe online. We are a proud founding supporter of the Canadian Centre for Child Protection, contributing $150,000 annually to promote cyber safety. The funds support Cybertip.ca, a national tip line for Canadians to report their concerns about online sexual exploitation of children and to raise awareness of the issues so that children are better protected when they use the Internet.

Since its creation in 2002, Cybertip.ca has received more than 215,000 reports from the public and has provided more than 14.3 million pieces of educational material to schools and families across the country. In 2016 alone, Cybertip.ca received more than 39,000 reports from Canadians.

Bell's donation also supports 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 2 guides to help parents and educators address the issue. Bell also helped the Centre launch **needhelpnow.ca**, which provides young people with practical advice on dealing with sexting situations. The Centre provided the guide free of charge to schools and law enforcement, with 6,600 copies distributed in 2016. Since the launch of the guide in 2012, a total of 19,500 copies have been handed out.

As a founding supporter of **MediaSmarts**, Bell donated $50,000 in 2016 to help improve media and digital literacy for young people and their families. Working closely with academics, broadcasters, telecommunications service providers, and Internet-based organizations, MediaSmarts develops educational materials and programs, such as online tutorials to assist parents with strategies for the digital generation, a web-awareness workshop series for teachers and librarians, and a media literacy week to build public awareness of the importance of digital consumers developing critical-thinking skills.

Bell and MediaSmarts developed 2 new workshops to promote a positive online experience for teens and pre-teens using social media. The first one, *Respecting Yourself and Others Online*, helps students in grades 7 to 9 develop critical-thinking skills and strategies to support respectful interactions and minimize the risk of negative experiences. The second workshop, *The Parent Network: Social Media and Your Kids*, helps parents understand the connected world of kids and teens and provides tips and tools for maximizing the positive opportunities of social media. In 2016, MediaSmarts launched the first 2 videos in a 4-part series: *Social Media: The basics* and *Social Media: Keeping your kids safe*.

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). This was developed to reduce Canadians' exposure to child abuse images and create a disincentive for those who access and distribute child pornography.

BELL DONATED
$50,000
IN 2016 TO HELP IMPROVE MEDIA AND DIGITAL LITERACY

Backpacks for Kids

Bell team members across Canada support the Backpacks for Kids program, collecting school supplies for kids in need to help them get ready to go back to school. In 2016, team members responded enthusiastically once again, filling more than 9,600 backpacks that were distributed to schools and community groups across Canada.

Virgin Mobile RE*Generation

Virgin Mobile RE*Generation focuses on investing in job skills training programs that help at-risk and homeless youth gain skills to get jobs. More than 800,000 youth in Canada are jobless, not in school or in training, and either looking for work or have left the labour force entirely (see report details from OECD here). On any given night, 6,000 youth sleep on the streets. Recognizing the barriers to finding jobs, Virgin Mobile RE*Generation invests in helping charities deliver in-demand job skills training, so at-risk and homeless youth have what they need to gain employment and stability. In 2016, more than 200 young people completed training with Virgin Mobile RE*Generation partners NPower Canada (Toronto); Broadway Youth Resource Centre (Vancouver); and Threshold School of Building (Hamilton). By the end of the year, 130 youth were hired into full-time jobs in the IT, culinary arts, and construction industries and 47 youth were in progress of completing paid work experience placements with leading employers. For more about Virgin Mobile RE*Generation, please click here.

Sir Richard Branson and Virgin Mobile Managing Director Joseph Ottorino discuss the importance of breaking down the barriers youth face to employment.

Supporting youth in the North

In partnership with Bell Let's Talk, Northwestel has made mental health in the North a cornerstone of its community engagement. In 2016, the company announced a joint $250,000 contribution in the Yukon to establish a FRIENDS mental health support program for youth.

Northwestel played a major role in promoting Mental Illness Awareness Week, with Bell Let's Talk ambassador Shea Emry joining us in Yellowknife and Whitehorse to bring attention to efforts to end the stigma surrounding mental illness. The company also continued long-standing mental health partnerships with Yukon and Nunavut distress help lines.

Two-time Grey Cup Champion Shea Emry was in Whitehorse to share his personal story of overcoming obstacles on his way to learning the importance of self-care and inspiring conversations around mental health.

Computers for Schools

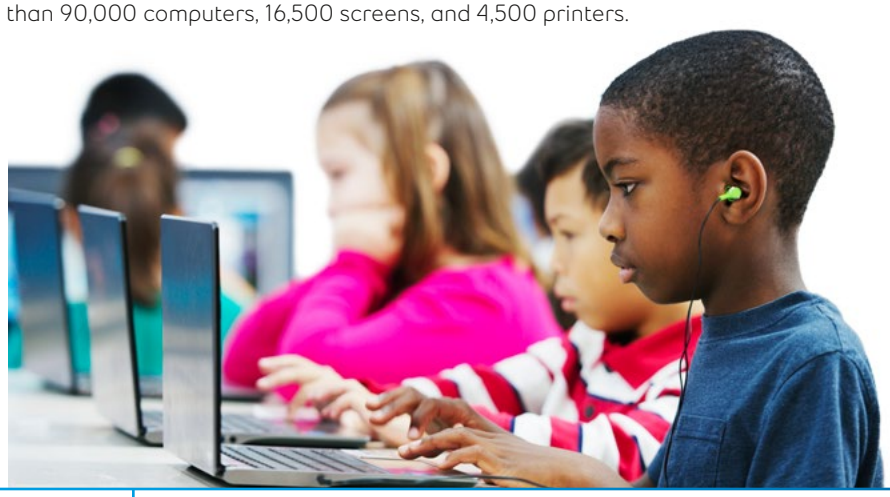
OPEQ
ORDINATEURS POUR LES ÉCOLES DU QUÉBEC

Bell also supports the Computers for Schools program, which provides refurbished computers to primary and secondary schools as well as other not-for-profit organizations. This program is ISO 14001:2004 certified and has been audited and approved by the RQO (Recycler Qualification Office) under the ERRP (Electronics Reuse and Refurbishing Program). It has also been selected as an EPRA-Québec (Québec Electronic Products Recycling Association) reuser/refurbisher.

In addition to chairing and managing the program in Québec, Bell also provides space for a workshop and office management. CFS encourages reuse, social reinsertion, and environmentally sound recycling.

In 2016, Bell and its subsidiaries donated 9,887 used computers 1,537 screens and 165 printers for reuse or recycling, bringing Bell donations since the beginning of our involvement to more than 90,000 computers, 16,500 screens, and 4,500 printers.

IN 2016, BELL AND ITS SUBSIDIARIES DONATED
9,887
USED COMPUTERS



Arts and culture

Bell is proud to continue a long tradition of support for Canadian arts and culture, working with a variety of partners to enrich the communities we serve through the encouragement of creative expression. These initiatives, some of which are detailed below, range from a full roster of summer festivals in Québec to grants for school musical instrument programs.

Celebrating northern culture

Northwestel is a proud supporter of Aboriginal youth and culture. In 2016, the company partnered with First Nations and Aboriginal groups to support National Aboriginal and Nunavut day celebrations, the Yukon First Nations Graduation Day, and Aboriginal youth hockey tournaments. Through Northwestel Community TV, the company was a major partner of the award-winning documentary SHIFT, which shone the light on Carcross Tagish First Nations youth and their role in building an emerging mountain-biking mecca.

In all, Northwestel invested more than $600,000 in 2016 in supporting arts, culture, youth, Aboriginal and health initiatives. The company is a proud sponsor of the Yukon, NWT and Fort Nelson Hospital Foundations, Sports North and local youth sports leagues, and cultural events through the Yukon Arts and Cultural Centre and Nunavut's Alianait Arts Festival. For over 30 years, the company has selected a local artist in each of its main operating areas to display on the cover of its phone directories, a tradition which is often a boost for the careers of emerging Northern artists.

Bell Media supports cultural events

Bell spread the influence of inspiring speakers and popular performers as they engaged tens of thousands of Greater Toronto Area youth leaders at the 2016 Free the Children's WE Day. As the broadcast partner, Bell Media's MTV helped gather more than 20,000 student leaders and supporters in Toronto to celebrate positive activism in local and global communities. Bell Media aired the one-hour specials on CTV, MTV, and MUCH.

Bell Media lends it support to the annual Kids Help Phone Walk so Kids Can Talk, a fun and inspirational 5K walk where thousands of kids, adults, families, schools, community organizations and corporations across Canada come together to support kids' emotional well-being by raising funds for Kids Help Phone. In 2016, more than 11,000 participants in over 36 communities raises nearly $3 million for Kids Help Phone. Bell Media promoted events by airing national radio and television public service announcements and digital advertisements, as well as having on-air talent engaged across the country.

Bell Media was once again the presenting sponsor of the 17th edition of imagineNATIVE Festival, an international event that celebrates the latest works by Indigenous peoples at the forefront of innovation in film, video, radio, and new media. The 2016 event, which Bell Media supported through event coverage, interview opportunities, and talent/executive hosting opportunities, attracted 19,738 attendees.

Bell Media team members take a selfie at company event

Tangible benefits funding

As part of our acquisition of Astral Media Inc. (Astral), Bell committed to paying $263 million in tangible benefits to develop French- and English-language TV, radio, and film content, support emerging Canadian musical talent, and enable new media training and consumer participation initiatives in the Canadian broadcasting industry. In 2016, our tangible benefits funding went to organizations such as:

The Centre for Aboriginal Media, to promote and exhibit films, videos, and audio and digital media artwork by indigenous artists to Canadian and international audiences at the imagineNATIVE Film + Media Arts Festival in Toronto

The Dreamspeakers International Film Festival celebrates the latest works by Indigenous people in film, video, radio, and new media, presenting selections of Indigenous works from around the globe

Regard sur le court métrage au Saguenay is a regional film festival which aims to promote, air, and develop short films from Canada and abroad. The Festival also awards prizes to the best shorts in eight different categories, hosts a market for professionals, and presents conferences, master classes, and workshops. The tangible benefits contribution supported the activities of this regional festival

Kino'00, based in Montréal, supports the development of short independent films from the region by assisting young talented filmmakers with their projects through courses, equipment, and various events to showcase their films to the public, including through a film festival. Bell Media's support helped the organization's members continue to have an important venue to create and develop original media content to serve its communities through various initiatives

Equipped with the latest digital technology, **Wapikoni Mobile** studios visit more remote Aboriginal communities to offer workshops on music and video production. The tangible benefits funding supported the screening of the best short-form films produced by young filmmakers during the year

Palmarès ADISQ (formerly known as *Top Musique Québec App*), a digital platform developed by l'Association québécoise de l'industrie du disque, du spectacle et de la video (ADISQ), is a collective music marketing tool that showcases Québec-based artists. The site presents charts, lists of new songs, a calendar of shows to watch, and playlists reflecting listening consumption. *Palmarès ADISQ* is an initiative by an eligible third-party music advocacy association using new media and online promotional/advertising material to support Canadian artists, and therefore fully qualifies as an eligible initiative

MediaSmarts, a Canadian not-for-profit organization, to fund initiatives promoting digital and media literacy in Canadian homes, schools, and communities

MusiCounts, Canada's music education charity associated with The Canadian Academy of Recording Arts and Sciences (CARAS) provides grants to schools to purchase musical instruments of all kinds

The National Music Centre offers an artist-in-residence program, allowing Canadian artists access to NMC's unique music and recording collection to create new and innovative Canadian content in every genre. This initiative directly supports and trains Canadian artists

The National Screen Institute provides film, television, and digital media training for writers, directors, and producers. The tangible benefits funding supported the NSI Totally Television program, which helps strong creative writer/producer teams refine their concepts for TV series and secure a development deal with a broadcaster

The National Theatre School, to provide training to enhance skills transfer as actors move from theatre to cinema, television, web, and other platforms.

Bell TIFF (Toronto International Film Festival) event in Toronto.

Journées de la Culture event, at Bell's Montréal Campus.

Environment

LISTED ON NEWSWEEK'S GREEN RANKINGS EVERY YEAR IT WAS PUBLISHED SINCE 2011

BELL HAS BEEN LISTED ON THE EURONEXT VIGEO WORLD 120 STOCK INDEX SINCE 2015

The business service solutions industry, of which Bell is a leading member, has the potential to truly make a difference in the global pursuit of lower-carbon economies. Efficiencies derived from our business service solutions enable Bell to mitigate its own carbon footprint, and the services we sell enable customers and partners up and down our supply chain to successfully pursue their own carbon reduction strategies.

Environmental leadership

Environmental protection is core to our sustainability vision and to our business. It aligns with our strategic imperative to achieve a competitive cost structure. Just as important, our determination to minimize our carbon footprint and safeguard the environment in every aspect of our operations reflects the deeply held values of the company and our individual team members, as well as the expectations of customers, investors, and the public at large.

Montréal's Bell Campus on Nuns' Island.

Our most challenging environmental issues are energy consumption and the associated carbon emissions, petroleum tank management, waste management, and electronic device recovery.

Our most challenging environmental issues are energy consumption and the associated carbon emissions, petroleum tank management, waste management, and electronic device recovery. Not only do our operations consume energy, especially in data centres, but so does every device in a customer's hands that connects to our network. As smartphones and other devices get smarter, they consume more energy. In order to provide seamless access and faster service for these devices, we continue to expand our network coverage. This creates more waste as we replace outdated infrastructure with modern technology such as fibre optic cable. Similarly, customers are changing their devices more frequently today, creating a steady stream of e-waste. Since we sell this technology, we recognize that we also have a duty to minimize the number of discarded devices sent to landfill. Keeping track of these issues takes a dynamic and responsive management system.

At Bell, we have been implementing and maintaining programs to reduce the environmental impact of our operations for more than 20 years. Our environmental management system has been ISO 14001 certified since 2009, making us the first Canadian telecommunications company to be so-designated. Our diligent work to sustain this certification, and our environmental protection performance in general, have been recognized by numerous external organizations. Since 2015, for example, Bell has been listed on the Euronext Vigeo – World 120 stock index (the 120 most advanced companies in the European, North American, and Asia Pacific region), the Ethibel Sustainability Index (ESI) Excellence Global (which contains companies from Europe, North America, and Asia Pacific that display the best performances in terms of corporate social responsibility), and Deutsche Boerse's STOXX® Global ESG Leaders indices (a wide range of sustainability indices investors can use as the basis for sustainable investment). We are also listed on Newsweek's Green Rankings, one of the world's foremost corporate environmental rankings of the 500 largest publicly traded companies. BCE ranked 110th globally and 6th for Canada, the only Canadian telecommunications company to be listed.

This recognition reflects the fact that many of our services and processes enable carbon abatement for us and our customers, from audio- and videoconferencing that substitute for air travel to e-billing, and from cloud computing and virtualization to sustainable real estate practices.

To learn more about our environmental management system, please see our website.

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Managing our carbon footprint

Bell team members save energy and reduce greenhouse gas (GHG) 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. In addition, 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.

Bell has long understood that the use of its products and services helps fight climate change by reducing the carbon footprint within our operations and those of our customers. More than that, we understand that adherence to environmental protection initiatives produces positive benefits for the business. Our carbon-reduction efforts help us spend less on fuel and electricity, which also supports 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.

As an active member of the Global eSustainability Initiative (GeSI), we support the findings of the organization's SMARTer 2030 report, released in June 2015. The GeSI study estimated that widespread deployment of business service solutions could save up to 10 times the carbon emissions generated by the sector itself by 2030. For more details about the carbon reduction-enabling effect of business service solutions, please consult the SMARTer 2030 report.

The scientific consensus is that anthropogenic GHG emissions, especially carbon dioxide (CO_2), are major contributors to climate change. Our critical infrastructure and facilities must provide a consistent, secure, and reliable environment in which to operate our network and IT infrastructure and to house team members. 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. Scientists generally agree that global climate change could exacerbate some of these threats, including the frequency and severity of weather events.

In the long term, we hold to a fundamental objective to continue developing business solutions, such as cloud services, e-billing, and virtualization, that reduce carbon footprint, both for our customers and for ourselves.

Our environmental management system has been ISO 14001 certified since 2009.

Bell fosters innovation and entrepreneurship by engaging with cleantech clusters, such as Écotech Québec, that are 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. With its Écotech Québec partnership, Bell also has access to leading cleantech clusters in twelve countries through International Cleantech Network.

Bell leads by example, demonstrating in our own operations some of the many practical ways that business service solutions offer simple and smart ways to improve productivity while reducing energy costs and GHG emissions. Our initiatives include:

- **Virtualization and cloud computing** that encourage optimal use of space, power, and cooling resources by consolidating servers and storage
- **Electronic controls coupled to the communication network** to reduce energy consumption in buildings
- **The Internet of Things**, which can improve monitoring and controls of industrial equipment and all manner of everyday appliances
- **Telemetry systems** that reduce idling and optimize the routes of commercial vehicles
- **Teleconferencing** that reduces travel needs
- **Social networks** that facilitate car pooling and car sharing
- **Virtual products** (books, newspapers, magazines) and electronic transactions.

Our approach also includes quantifying risks and opportunities stemming from climate-change issues with a view to leveraging Bell's products and services to enable carbon reduction. This entails identifying the potential impact of severe weather on our operations with the Business Continuity team as it assesses threats, vulnerabilities, and impacts on our business and develops risk-mitigation plans. We monitor the potential for current and future climate-related legislation, policy, and regulations that may also impact our business, and report on these findings to the SEHS Committee twice a year.

At an asset level, our corporate real estate, risk management, and business continuity teams assess risks and opportunities for our buildings, networks, and fleet. Buildings and networks are prioritized by how essential they are to the continued delivery of key communication services. This 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 2008, we created the Energy Board, a management-level committee reporting to the SEHS Committee, to support Bell's climate policy to meet our carbon emission objectives. This committee's specific mandate is to identify and support the implementation of energy-reduction initiatives in our vehicle fleet, buildings, telecom network, IT infrastructure, and business travel program.

We also align incentives with environmental objectives. That has produced measurable success. In 2016, for instance, we saved 34.05 GWh or 3,200 tonnes of CO_2 equivalent of electricity in our buildings, data centres, and networks even as our company grew.

Since 2004, we have been reporting annually on our carbon footprint, carbon reduction initiatives, and risks and opportunities stemming from climate-change issues through the CDP (previously known as The Carbon Disclosure Project). The CDP represents 827 financial planners, advisors, wealth managers, and institutional investors managing a total of US$100 trillion in assets. BCE attained CDP Leadership status and made the list of the top 10 highest-scoring Canadian companies in 2016.

Greenhouse gas (GHG) emissions performance

As a conscientious corporate citizen, Bell takes its responsibility to control and reduce its GHG emissions where possible. Verification of the data provided and assumptions made can be found in our Greenhouse Gas Emissions Report.

Emissions (2015-2016)

(KILOTONNES OF CO_2 EQUIVALENT)	SCOPE DESCRIPTION	2016	2015	TRENDS
Scope 1	Direct GHG emissions from sources that are owned or controlled by Bell	**128.88**	133.57	↓
Scope 2	Indirect GHG emissions associated with the consumption of purchased electricity, heat, steam, and cooling	**174.04**	221.66	↓
Scope 3	Other indirect GHG emissions related to Bell business travel activities	**8.05**	8.52	↓
Total		**310.97**	363.75	

2016 Energy consumption

	CONSUMPTION IN MWH EQUIVALENT	CONSUMPTION IN GJ EQUIVALENT
Fuel (Scope 1)	513,849	1,849,710
Electricity (Scope 2)	1,851,603	6,665,236
Total	2,365,452	8,514,946

As noted elsewhere (see Importance of the business model), Bell's vertical integration, which includes installation and construction often outsourced by other telecommunications companies, affects our Scope 1 (direct) GHG generation emissions. In addition, our aggressive diversification into broadcast and other lines of business to sustain the company's growth affects our Scope 2 (indirect) emissions.

Compared with 2015, Bell's carbon footprint decreased 52.8 kilotonnes (15%) in 2016. The largest portion of the decrease is attributable to Scope 2 emissions, which were down 47.6 kilotonnes. Even though Bell's electricity consumption has remained quite stable compared with 2015, this decrease is mainly due to the significant drop in emission factors owing to cleaner energy sources.

In terms of Scope 1 emissions, we decreased the quantity of fuel consumed by 2%, thanks to various initiatives, such as the 5% decrease in the number of fleet vehicles. In addition, we decreased our consumption of fossil fuels for buildings and generators by 11%. Overall, the effect has been to lower our carbon emissions from Scope 1 sources by 4.7 kilotonnes. We also decreased our Scope 3 emissions by 0.5 kilotonne, due to corporate policies and control mechanisms that limit business travel and encourage our team members to use our teleconferencing and videoconferencing services.

Bell's carbon footprint decreased by 15% in 2016 compared with 2015.

Renewable energy

At least 54%[1] of the 1,851,603 MWh of electricity we consumed in 2016 was from renewable sources, such as hydro, wind, tides, and the sun. Of this, 96% is from hydro sources. The Bell network also generated approximately 450,000 kWh of renewable energy in 2016 from solar and wind power sources. Our 9 photovoltaic and diesel hybrid power systems in the territories generate 80,000 kWh of renewable energy every year. The systems saved 110,000 litres of diesel (and approximately $200,000), the equivalent of 308 tonnes of CO_2.

For more details on renewable energy initiatives at BCE, please click here.

At least 54% of the 1,851,603 MWh of electricity we consumed in 2016 was from renewable sources, such as hydro, wind, tides, and the sun.

Bell's energy-saving objective

No matter how we define our ultimate objective, Bell's Energy Saving program is an important part of getting to our emission reduction targets. The program focuses on 3 areas: our facilities, our fleet, and substituting technology for travel. It also enhances our cost competitiveness by offsetting rising energy costs. The Bell team has made substantial progress in this area since 2008. 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, we have prevented the release of more than 55 kilotonnes of CO_2 equivalent emissions, saving more than $67 million. The table below illustrates the cumulative savings for the 3 focus areas.

Savings (2008-2016)

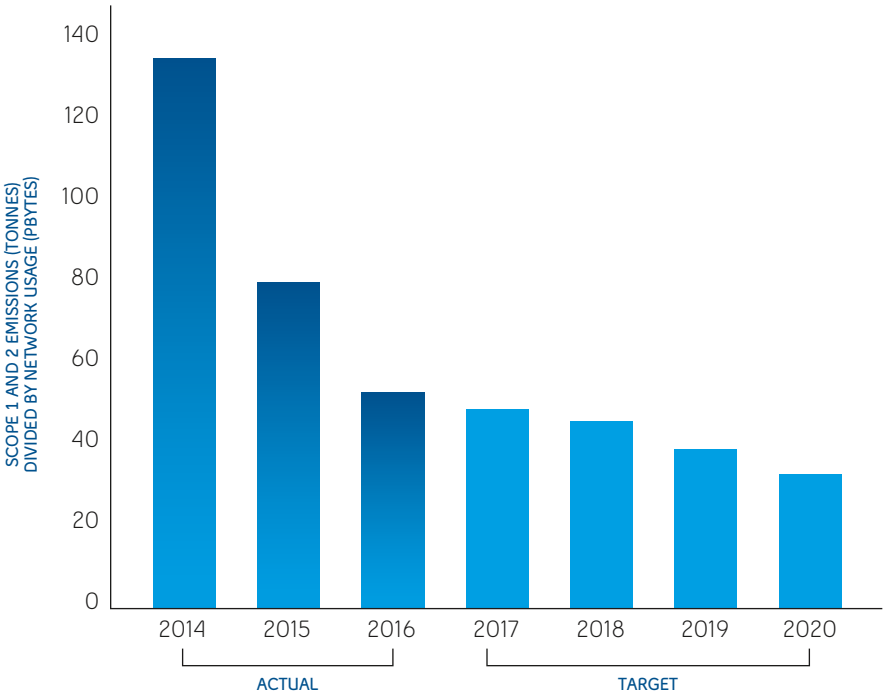
	ELECTRICITY	FUEL	TRAVEL
Energy	290.89 GWh	8.02 million litres	N/A
CO_2 equivalents	31.95 kilotonnes	18.85 kilotonnes	4.66 kilotonnes
This is the same as...	**Electricity for 29,089 homes for a year**	**Fuel for 145,788 tanks of gas in a mid-sized car**	**Fuel for 7,247 airplane trips across Canada**

As a recognized environmental leader, Bell is working on a new approach to setting emission-reduction objectives using a science based methodology with the CDP – a global organization that helps companies improve their sustainability initiatives – and its various partners, such as World Resources Institute (WRI) and Groupe AGÉCO. This methodology aims to limit global temperature rise to 2°C above pre-industrial levels. We will use this as a base for determining how such objectives could be achievable in Bell's operations.

We expect to conclude this ambitious endeavor sometime in 2020. In the interim, Bell intends to implement mitigation measures that seek to reduce our energy and fuel consumption, and therefore cut our annual greenhouse gas (GHG) emissions intensity. Our short-term objective is to reduce the ratio of our Scope 1 and 2 GHG emissions (tonnes of CO_2 equivalent) to our network usage (PBytes) by 75% of 2014 level by the end of 2020.

1 *Calculation based on the 2014 data from the Electricity in Canada: Summary and Intensity Tables of the Canadian National Inventory Report (1990-2015), published April 13, 2017 on the United Nations, Framework Convention on Climate Change website.*

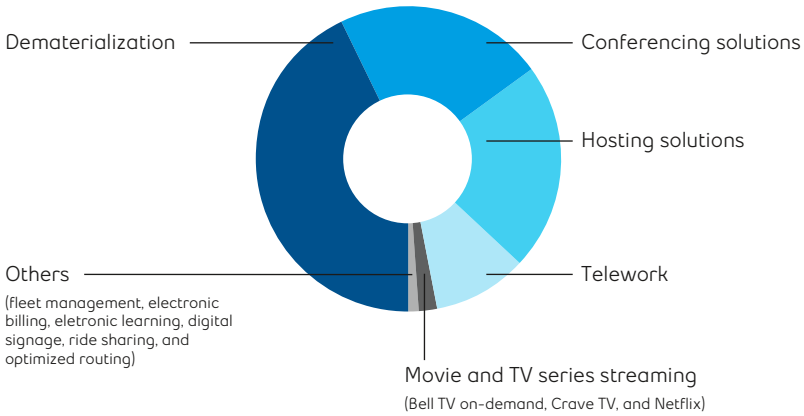
Bell's GHG emissions reduction objective



This intensity target expresses the footprint of our operations in a meaningful way, recognizing the carbon reduction enabling capabilities of our products and services. As demonstrated by GeSI, the use of telecommunication technologies (such as cloud services, virtualization, teleconferencing, etc.) helps Bell fight climate change by reducing the carbon footprint of our customers and our own operations. Although our energy consumption has historically been going up, Bell's network usage – which aims to quantify the use of our technologies – is growing much faster, which shows significant network efficiency gains. Since 2014, our GHG emissions per network usage showed a 61% improvement in only two years.

Even when our own footprint is increasing, we help our customers reduce their energy needs, cut carbon emissions, and enhance productivity in numerous ways. For example, by hosting our enterprise customers' servers in our highly energy-efficient data centres, and by connecting their devices through our machine-to-machine (M2M) services. M2M services are typically used to optimize fleet management, logistics, distribution, and manufacturing processes. In order to understand our net impact on the planet's carbon load, we have developed a methodology in collaboration with Groupe AGÉCO to quantify the environmental benefits of our products and services. Our analysis concludes that in 2015, Bell technologies enabled carbon abatement for our customers of more than 780 kilotonnes, which is equivalent to more than twice our corporate carbon footprint. Overall, this is a net gain for the planet's carbon load.

Carbon abatement enabled by Bell technologies (2015)



This preliminary analysis is the first of its kind performed at Bell. The environmental benefits measured are likely understated given the conservative assumptions selected and the complexity of the data acquisition process. Nevertheless, this analysis confirms that our products and services have a significant carbon abatement potential that we intend to promote.

Virtualization

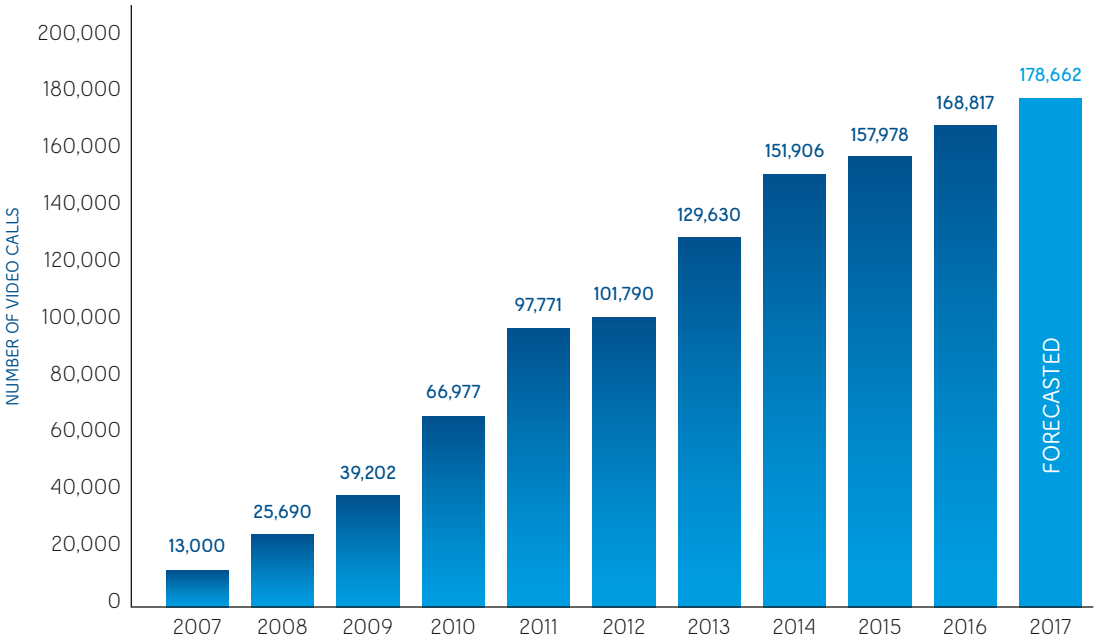
Virtualization is a systematic approach to limiting the carbon footprint of our data centres by optimizing space, power, and cooling through the consolidation of servers and storage. In 2016, we removed the equivalent of 992 devices under this program. Through consolidation and virtualization, we also optimized 67% of our physical servers at year-end 2016, up from 63% at year-end 2015. In 2016, 92% of the servers deployed within our internal IT architecture were virtual. This reduced capital requirements and saved approximately 3,950,000 kWh, enough energy to heat 395 households for a year. It also resulted in a year-over-year reduction of 371 tonnes of GHG emissions.

Conferencing solutions

Audioconferencing and videoconferencing solutions provide a quick, convenient and cost-effective way for multiple people to simultaneously communicate, improving efficiency and reducing the need for travel. These solutions – in particular audioconferencing – also offer significant benefits for business continuity, enabling team members to work effectively from any location if an incident prevents access to the normal workplace.

BELL HAS 1,432 DEDICATED VIDEOZONE ENDPOINTS THROUGHOUT THE COMPANY

VideoZone Call volume growth



Videozone celebrates its 10th anniversary in 2017, having grown from 4 units to more than 1,400 across the country, the largest corporate deployment of conferencing endpoints in Canada with an average annual growth rate of about 20%. In 2016, another 70 endpoints were added. In the spring of 2017, Videozone hosted its 1 millionth video call.

Videoconferencing is a fast-growing tool used 11 times more often today than just 7 years ago. In 2016, Bell team members held 168,500 VideoZone conference calls. Assuming that 1 in every 10 video calls enables us to avoid $750 in travel costs, in combination with other factors, videoconferencing helped Bell save approximately $12.5 million in 2016. Bell team members also held 1 million AudioZone calls last year.

These same technologies also help our customers address their own environmental-protection and cost-reduction priorities every day.

The use of conferencing solutions depends on the variable nature of business travel, access to technology – especially in the case of videoconferencing – and the degree to which users understand the technology. However, we anticipate usage to continue to grow as these technologies become part of the everyday business environment.

For more details on energy-saving initiatives at BCE, please click here.

Managing petroleum storage tanks

Bell's petroleum storage tanks are essential to meeting our day-to-day needs for heating facilities and for our back-up power generators. They were critical assets in emergencies such as the major ice storms of 1998 when areas of Montréal were without power for extended periods. Our storage tanks may be above ground or underground. Above-ground tanks are favoured in installation/replacement projects, because they are easier to secure and inspect.

Because we understand the environmental risks associated with every aspect of petroleum products storage (or management), our standard of care for these tanks generally surpasses the regulatory requirements placed on us by federal, provincial, and U.S. state regulations (in the 6 states where Bell is present) governing the installation, operation and removal of petroleum product tanks.

Of Bell's 3,000 petroleum storage tanks, 91% are above ground. 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. Our rigorous plan for managing our equipment also entails:

OF BELL'S 3,000 PETROLEUM STORAGE TANKS, 91% ARE ABOVE GROUND

- **Reducing** (or optimizing) the number of tanks and minimizing the installation of underground tanks
- **Replacing** single-walled above-ground tanks (with a capacity above 4,000 litres and located outside buildings) with double-walled tanks
- **Ensuring** that we follow the equipment inspection program rigorously.

We execute a multi-year replacement upgrade plan to replace or upgrade tanks by priority based on a risk analysis.

Managing waste

Diverting waste from landfill

As with energy consumption, a company's business model directly affects the amount of waste it generates. Generally speaking, companies with greater vertical integration produce a higher proportion of their industry's waste.

Unlike other telecommunications companies, Bell has integrated much of its installation and construction functions. This makes us accountable for managing a large part of our network waste ourselves. Outsourcing such functions would allow us to reduce our waste-to-landfill results, but we would not be able to maintain direct control over functions that directly influence customer service and operations.

IN 2016, BELL INCREASED THE AMOUNT OF WASTE SENT TO RECYCLING BY 7.2%

To minimize the amount of waste we send to landfill, Bell runs several programs to reduce, reuse, recycle or repurpose. In 2016, the amount of waste we sent to landfill increased by 2.4 percentage points – meaning we diverted 69% of waste, 6% short of our goal. Over the last 4 years, the story our waste management data tells has been distorted by several factors, including: major strategic business acquisitions (Q9 Networks, Astral, Bell Aliant); growth in the number of customer-facing products recovered; a decrease in paper and packaging use; an increase in waste-sorting stations across the country; and our aggressive deployment of fibre optics networks. Recognizing this, we understand it is time to rethink our waste management data and how we share them with you.

In this spirit of transparency, we have set our 2017 objective to improve our own awareness in each function that generates residual materials and devise an indicator that clearly explains which kind of waste is managed in which manner. We will analyze our network operations recovery program to identify opportunities to improve its efficiency and to facilitate sorting by team members. We will also improve recycling and composting services at 32 administrative buildings to reduce waste sent to landfill.

For more details on waste management at BCE, click here.

Environmental stewardship for electronic devices and hazardous material (batteries)

Customer-facing electronic devices recovery (2015-2016)

	TREND	AMOUNT COLLECTED 2016	AMOUNT COLLECTED 2015
		(UNITS)	(UNITS)
TV receivers	↑	**1,103,000**	1,010,000
Modems	↑	**946,000**	925,000
Mobile phones	↑	**289,000**	210,000
Corded phones	↓	**8,400**	10,800
Total	↑	**2,346,400**	2,155,800
		(TONNES)	(TONNES)
Batteries	↑	**31.32**	19.93
Accessories	↓	**1.14**	4.05
Total	↑	**32.46**	23.98

Bell provides customers with programs to help them protect the environment by making it easier to recycle their products, including mobile phones, Bell Internet modems, and Bell TV receivers. In 2016, thanks to our customers' participation in our recovery programs, Bell diverted more than 2,600 tonnes of electronics from landfill.

Bell recovers mobile phones through two complementary programs: the Bell Trade-in program and the Bell Blue Box program. Launched in 2003 and available at all Bell stores, Virgin Mobile stores, and participating The Source locations, the Bell Blue Box program was the first cross-Canada collection program established by any company for re-using and recycling mobile phones. Bell donates the net proceeds from the Bell Blue Box program to a partner in the Bell Let's Talk mental health initiative. Combined, the Bell Trade-in program and the Bell Blue Box program diverted nearly 289,000 phones from landfill in 2016, for a total of almost 2.2 million mobile phones, 128 tonnes of batteries and accessories since 2003.

BELL DIVERTED MORE THAN **2,600** TONNES OF ELECTRONICS FROM LANDFILL

In addition, Bell participates in provincial recycling programs for other electronic products, such as tablets, headsets, TVs, computers, and batteries. For more details on these programs, visit our website Bell.ca/recycling. Regarding e-waste stewardship, Bell collected almost 946,000 modems and more than 1.1 million TV receivers in 2016. Recovery is difficult to predict and control, as it relies on the rate at which customers upgrade to newer devices. Recovery is often related to economic activity: in times of economic recession, people upgrade their devices and sign up for new plans less frequently. It is also dependent on customer behaviour. A CWTA study shows that 40% of Canadians store their old handsets when they acquire new mobile phones. Since we have no control over when or whether a customer returns a device, we are exploring reasonable and achievable performance indicators for the recovery of used products that take into account our limited control over public behaviour.

Other environmental programs

In addition to the priority environmental initiatives detailed in this section, Bell operates many more programs through our Environmental Management System (EMS). Please see our website for information on environmental incidents, sustainable real estate and events, e-billing, biodiversity and integration into the physical environment, fleet, halocarbons, and water.

These programs are integrated throughout Bell's business units and subsidiaries and are governed by local environmental coordinators. Each environmental coordinator reports to the Corporate Responsibility and Environment team on action plans and results throughout the year. These programs form the foundation of our company-wide Environmental Management System, which is certified to ISO-14001, the world's most recognized environmental management standard. Thanks to our continued diligence in constantly improving our environmental systems and processes, we have been recertified for 7 consecutive years. For more information on our EMS, click here.

2.9M
DIRECT FIBRE CONNECTIONS TO HOMES AND BUSINESSES BY YEAR END

BELL'S FIBRE-BASED WIRELINE SERVICES REACHED
8.3 MILLION
BUSINESS AND CONSUMER LOCATIONS ACROSS ONTARIO, QUÉBEC, AND ATLANTIC CANADA

Economy and society

Bell is a driving force in Canada's economy. We are investing in people, employing thousands of Canadians across the country who are highly skilled in a range of disciplines, including science, technology, engineering, and math. We are integral to Canada's digital ecosystem as both partner and supplier, and we are investing more than any other Canadian communications company in broadband networks and R&D. Bell's advanced broadband infrastructure provides a strong and dynamic foundation for Canadians to lead and participate in a prosperous global economic future.

20.9M Total subscribers in 2016

2.0% Increase in growth services subscribers in 2016

2.7% Increase in wireless subscribers in 2016

14.7M Total growth services subscribers in 2016

Driving innovation and economic growth

Fostering digital skills and experience

Canada's ongoing prosperity depends on Canadians having access to advanced broadband networks. This critical 21st century network infrastructure supports Canada's digital, information, and knowledge economy, which creates well-paying, highly-skilled jobs in addition to providing Canadians with access to new technologies and other innovative online applications.

Delivering advanced networks and services demands 21st century skills in engineering, software development, business intelligence, data analytics, security, applications management, installation, maintenance and repair, sales, marketing, finance, accounting, planning, and customer support. Whether designing and installing networks, testing and adding new capabilities, or helping Canadians make the most of today's technologies, Bell's 48,000 team members are instrumental in leading the way forward.

Growing a digital ecosystem

Bell is at the centre of a large circle of Canadian innovators, creators and builders. The inherent complexities at the core of today's communications networks, services, and devices demand a wide range of partners and suppliers – companies of all sizes that provide new and improved methods for deploying fibre, securely managing and meeting ever-increasing network demands, and producing and distributing digital content.

The importance of this ecosystem to the Canadian economy cannot be overstated. The billions of dollars invested by Bell each year helps build and support Canada's Information and Communications Technology (ICT) sector, which itself contributes over $70 billion annually to the Canadian economy. In fact, of the more than 850,000 professionals currently working in Canada's ICT sector, employment growth in 2016 was strongest in professions related to digital communications [1]:

COMPUTER/ NETWORK SYSTEMS ENGINEERS UP 68%

TELECOMMUNI-CATIONS SERVICES/ OPERATIONS/FACILITIES MANAGERS UP 29%

INFORMATICS/ BUSINESS SYSTEMS ANALYSTS UP 3%

1 *Information and Communications Technology Council, Quarterly Monitor of Canada's ICT Labour Market – 2016 Q3.*

These ICT professionals help Bell and our partners and suppliers design, build, manage, develop, and improve our networks and the services we offer. Moreover, the employment benefits of our investments extend well beyond ICT. Indeed, it's estimated that every $1 billion that Bell invests in deploying new fibre networks supports up to 19,000 jobs in the Canadian economy as a whole [1].

Financial information

(IN $ MILLIONS)	2016	2015	2014
Revenues	**21,719**	21,514	21,042
Operating costs	**12,931**	12,963	12,739
Wages, salaries, and related taxes and benefits	**4,016**	4,224	4,351
Payments to providers of capital (dividends to BCE common shareholders and interest payments)	**3,187**	3,080	2,800
Income taxes and other taxes paid	**565**	672	743
Capital expenditures	**3,771**	3,626	3,717

Advanced networks

Bell is Canada's leader in broadband investment. As part of a capital investment program of over $3.7 billion in 2016, Bell's fibre-based wireline services reached 8.3 million business and consumer locations across Ontario, Québec, and Atlantic Canada by year end, including 2.9 million direct fibre connections to homes and businesses. Broadband performance tests conducted for the Canadian Radio-television and Telecommunications Commission (CRTC) in 2016 show that Bell's all-fibre broadband Fibe services exceeded advertised download speeds by a greater margin than other internet service providers and that FTTH services like Fibe delivered the lowest levels of latency and packet loss compared to all other wireline broadband technologies from other Internet service providers across the country [2].

Bell also continued to lead the way in wireless, leveraging spectrum purchased from the Government of Canada at a cost of almost $2.6 billion since 2001 to increase Canada-wide LTE coverage to 97% by the end of 2016. Bell's LTE network was ranked as Canada's fastest by two major independent analysts, with PCMag pointing out that Bell LTE average speeds were twice as fast as the top-ranked US wireless carrier's average LTE speeds [3]. In addition, 73% of Canadians had access to Bell's LTE-Advanced network, which delivers data speeds of up to 335 megabits per second (Mbps) with expected average download speeds of 25 to 100 Mbps.

Most of Bell's investment goes to extend and enhance the performance of our broadband fibre and state-of-the-art wireless networks, which provide the services customers want and need, from IPTV and high-speed Internet to mobile data. The result? Better communications services available across every sector of the Canadian economy, increasing performance, generating new opportunities, and creating an even stronger digital future.

As part of a capital investment program of over $3.7 billion in 2016, Bell's fibre-based wireline services reached 8.3 million business and consumer locations across Ontario, Québec, and Atlantic Canada.

Supporting innovation

Advanced networks are both building blocks and springboards for further innovation. Construction generates tremendous economic benefits as network providers, partners, and suppliers combine to design, purchase, license, and deploy innovative components, including hardware and software. Techniques and equipment for line trenching, tower construction, in-building set ups, and the placement of sophisticated electronics along digital pathways, whether wireline or wireless, continue to evolve and improve.

These changes pave the way for new devices and capabilities like the Home Hub 3000, offering the most powerful home Wi-Fi service in Canada, and the world's first fully wireless IPTV service, the Wireless 4K Whole Home PVR from Fibe TV. Both these innovations were launched by Bell in 2016.

1 *Singer, H., "Economic Impact of FTTH Deployment in Toronto"*

2 *Sam Knows Analysis of Broadband Performance in Canada, March and April 2016*

3 *PCMag, Fastest Mobile Networks Canada 2016.*

These are products of the ecosystem which result from companies continuing to search for, and find, new ways to take advantage of emerging networks. For example, in 2016, Bell worked with major companies like Microsoft and Apple to deliver new services for Canadian businesses and consumers. Bell also worked with global organizations like the Global M2M Association to enhance international roaming and Internet of Things management. And smaller Canadian firms are playing a critical role in the development of Bell Fibe TV, Canada's top-ranked television service, enabling Canadian firsts like 4K broadcasts of live events, the innovative Restart function and other smart new features included in the constantly evolving Fibe TV app.

The adoption of innovative Canadian technology extends into another field where Bell is a national leader – the development of accessibly products and services. In 2016, Bell launched a new portfolio of products and services to make mobile communications more accessible for customers with disabilities. Among these is Tecla, a hands-free device for those with limited upper-body mobility designed and manufactured in Toronto by Canadian start-up Komodo OpenLab.

Some innovations have a direct bearing on economic performance while others create new opportunities for small and large businesses. But what is crucially important for Canada and Canadians is that many more are on the way as Bell continues to augment billions of dollars in capital investment with hundreds of millions of dollars in research and development (R&D).

Research and development

Our leadership in service innovation stems directly from our longstanding ranking as the leading investor in Canadian communications research and development. R&D expense is the amount of money we spend to develop new products and services each year. These investments enable us to continue to provide our customers with the latest products and services, comparable with any in the world, and to make our own operations more productive. They also help fuel a positive cycle of innovation and growth in our partners and suppliers.

Bell invested $530 million in R&D in 2015, more than any other communications service provider in the country[1]. In 2016, Bell increased its R&D focus on the transition to software-defined networks that will advance the future of both wireless and wireline connectivity. More capable of adapting to individual consumer and business needs quickly and efficiently, new software-centric network platforms also serve as important drivers of additional innovation by better supporting new network-enabled applications that require large amounts of data, like 4K video and many other entertainment, educational and medical apps. Along with Orange S.A., Bell is collaborating with AT&T Inc. in the development of this new network approach[2].

Bell also conducted the first Canadian trial of fifth generation (5G) wireless technology in collaboration with Nokia. Conducted at one of Bell's 3 wireless innovation centres, the test achieved sustained data speeds more than 6 times faster than the top 4G speeds available in Canada[3]. Expected to be widely available within the next 4 to 6 years, 5G will provide the speeds and capacity needed to meet the demands of mobile customers for broadcast video and Internet of Things applications.

Through these and other R&D initiatives, Bell is playing a key role in the emerging network, device, and application ecosystem, ensuring Canadians are able to take advantage of future digital technologies and the economic and social benefits they deliver.

1 *Research Infosource 2016 Top 100 Corporate R&D Spenders. R&D research data traditionally lags the reporting period by one year*

2 *AT&T news release, Bell Canada Testing ST&T's Open Source ECOMP Platform for Building Software-Defined Network Capabilities, Dec 15 2016*

3 *BCE news release, Bell and Nokia complete first Canadian trial of 5G mobile technology.*

Supporting Canadian content

Bell's role in generating economic opportunities through investment also goes well beyond providing access to advanced broadband networks and services. In 2016, Bell Media operations invested approximately $1 billion to support the production and distribution of Canadian content. This investment provides work for Canadian actors, on-air personalities, technicians, showrunners, directors, artists, technicians, crafts personnel, and many other specialists and suppliers across the media industry as a whole. It also helps Canadian talent and expertise reach local, national, and international audiences through television, radio, and on-line distribution platforms.

As one of the largest supporters of film, television, and music through development funding, and as an avenue to showcase home-grown talent, Bell Media also supports partnerships and events that enhance the Canadian industry and provide opportunities for Canadian talent to achieve both artistic and commercial success.

> In 2016, Bell Media operations invested approximately $1 billion to support the production and distribution of Canadian content.

Managing the supply chain

Any purchase of goods and services can generate economic, social, or environmental impacts. We vigorously monitor and manage supply chain issues to mitigate adverse impacts. This is especially important because we do not manufacture any of the business service solutions or residential products we offer customers.

We work with a limited number of product manufacturers, some of which dominate the global market. Because of the proliferation of global sourcing and distribution in the business service solutions industry companies must be cognizant of potential human rights and environmental issues in their supply chains.

Bell's centralized procurement organization controls the strategic sourcing of goods and services, enabling us to better maintain relationships with a variety of suppliers, including manufacturers, distributors, contractors, and consultants.

Bell actively manages standardized supply chain performance tools, such as a risk assessment, a corporate responsibility questionnaire for suppliers, and an audit process that includes provisions for corrective action and ongoing monitoring. We also consider sustainable criteria for our products and services, including energy consumption, recyclability, content value, and environmental certifications, as well as attributes related to human and labour rights, health and safety, and ethics principles.

Supplier accountability

Bell policies (see our Environmental Policy, for example) require 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 Bell's Supplier Code of Conduct (implemented in 2007), clearly establishing the expectation that the supplier will take all reasonable measures to respect that Code in its own operations and within its own supply chain. Bell uses a detailed questionnaire to assess suppliers during the selection process and to improve the policies of existing suppliers. Combined, the Procurement Policy, the Supplier Code of Conduct, and the questionnaire form the basis for evaluating suppliers.

For more information about supply chain management, please click here.

For information about our supplier diversity initiative, please see the diversity section of this report.

Due diligence on products

Beyond the supplier approach to responsible business, we also address specific products through our expanding sustainable criteria program. Our Fibe TV receivers and modems qualify under ENERGY STAR, a voluntary government-business program that certifies that products meet a premium level of energy efficiency and are also covered by complementary social and environmental criteria.

Since 2011, we have strictly adhered to a set of sustainable criteria for mobile phones and components, including batteries, chargers, and packaging. These criteria address the use of toxic substances and conflict minerals, the recyclability of materials, identification of plastics, energy efficiency, and the impact on our carbon footprint.

As of today, we have augmented our contract templates by adding sustainable criteria not only for mobile phones, modems, and TV receivers, but also for SIM cards, laptop computers, and mobile phone accessories. Sustainable packaging criteria are now included in all tangible goods contracts that we resell to customers or use internally.

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 in certain cases they are mined in exploitative circumstances. Bell shares the concerns of many companies in the electronics and telecommunications industries that use conflict minerals that may directly or indirectly finance or benefit armed groups in the Democratic Republic of the Congo (DRC) or adjoining countries.

We consider the exploitation and trade of conflict minerals that fuel armed conflicts and lead to the abuse of human rights as unacceptable. Our policy and our practice are to make every appropriate effort to seek to ensure our suppliers source conflict minerals responsibly. Since 2005, Bell has been working with other telecommunications companies to develop an industry-wide approach to supply-chain issues, including conflict minerals, in conjunction with GeSI (the Global eSustainability Initiative) and the EICC (Electronic Industry Citizenship Coalition) Implementation Group.

In 2011, we asked our major suppliers of electronic equipment to implement processes and control mechanisms to avoid the use of minerals that may directly or indirectly finance or benefit armed groups in the DRC or adjoining countries in the products they supply to Bell. Today, we continually engage with suppliers on this issue through the contract negotiation process.

We also continuously monitor developments related to conflict minerals 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.

Electrification of transport

Evidence suggests that increasing the substitution of gasoline for electric power in fuelling vehicles will support the federal government's goal to improve air quality by reducing Canada's total GHG emissions 17% by 2020 and 30% by 2030, relative to 2005 emission levels[1].

In Québec alone, for instance, replacing 1 million gasoline-powered cars with electric cars would reduce emissions by 3.4 million tonnes per year.

Bell supports the Québec government`s policy to reach 100,000 electric and rechargeable hybrid vehicles by 2020. As part of the "Branché au travail" program with the Ministère de l'Énergie et des Ressources naturelles, we have installed 42 charging stations for use by our team members in Bell buildings – 6 in the Québec City region and 36 across Montréal. These stations use Internet-of-Things technology from Bell Mobility and are free for team members to use.

Bell's Ford C-Max, Hybrid rechargeable.

Charging stations in a Bell building.

1 http://www.fsds-sfdd.ca/index.html#/en/detail/all/sector:Transportation

Helping Canadians celebrate major milestones

Bell marks Canada's 150th, Montréal's 375th and 100 since Vimy Ridge

2017 is a year of major milestones for Canada: 150 years since Confederation, 375 since the founding of Montréal and a century since the nation-defining battle of Vimy Ridge.

And Bell is a big part of the celebrations and remembrances.

Lest we forget

To honour the courage and sacrifice of Canadian troops who fought and won at Vimy Ridge in 1917, a Bell delegation joined the Governor General and the Prime Minister at ceremonies in France in April 2017 to mark the 100th anniversary of the victory. CTV News, led by Chief Anchor and Senior Editor Lisa LaFlamme, broadcast the ceremony across Canada.

More than 3,600 Canadian troops – including 7 Bell team members – lost their lives in the battle which is often cited as a catalyst for a new Canadian national identity.

Our delegation was also part of the dedication of new Vimy Visitor Education Centre that Bell supported through our partnership with the Vimy Foundation. The names of 16 Bell team members (13 from Bell Canada, 2 from MTS and 1 from Aliant) who were killed during WW I but have no known graves are inscribed on the Canadian National Vimy Memorial.

This picture was taken at the official ceremonies in France in April 2017.

Happy 150th, Canada

For Canada's 150th birthday, Bell is the first Premier Partner and the Official Media Partner for celebrations in the nation's capital, with our broadband wireless and fibre networks and our leading media properties providing unprecedented access for all Canadians to the Ottawa 2017 festivities across multiple platforms and screens.

Augmented by Bell Media's strong Ottawa presence and national reach, we are enabling every Canadian to join in the nation's biggest birthday party.

We are also introducing a multimedia experience for one of the stations under construction for the Light Rail Transit system and an app that will enable users to interact digitally during special events throughout the city. We are also supporting the Ottawa 2017 travelling kiosk which will visit major events across the region.

2017 CIBC OTTAWA
CELEBRATING 150 YEARS
CÉLÉBRONS NOS 150 ANS

Bon anniversaire, Montréal

As a partner of Montréal 375, Bell is supporting many of the activities that will celebrate this major anniversary in 2017, including an exhibit on the history of telephony at the Pointe-à-Callière museum that runs until January 2018.

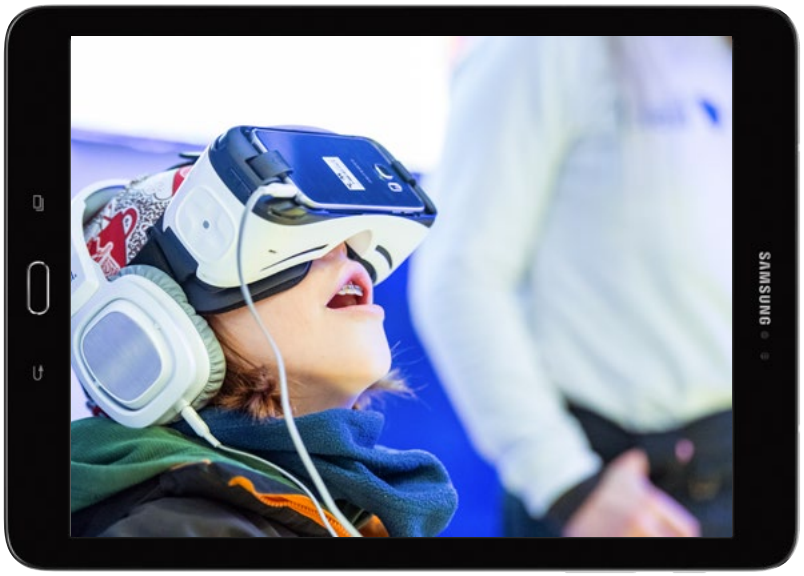
The exhibit, developed in partnership with Pointe-à-Callière, the Montréal Archaeology and History Complex, details the history of telephony, from its beginnings in 1874 to the present, based on Bell's rich historical collections. Hello, Montréal! features 250 items and archival photographs, documents, and films, illustrating not only the evolution of telephony, but also the social impact of the telephone and its associated technologies.

Photo: © Mikaël Theimer

Hello, Montréal!*'s entrance, which gives a second life to a variety of older and newer mobile phones intended for recycling.*

For a better tomorrow

As Canada's largest communications company, Bell is committed to leveraging our considerable resources to help stimulate our society's progress. Whether that is through our support for less carbon-intensive transportation, helping communities understand the wireless safeguards in place, or ensuring all the companies we deal with adhere to the same high standards of ethical business conduct, our approach reflects the values of our team members who, collectively and as individuals, want to see our society continue to get better.



BCE

Please email us at responsibility@bell.ca and tell us what you think of this report and sustainability at Bell.

If you'd like more details about our corporate responsibility and environment activities, please visit our website at BCE.ca/responsibility.

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