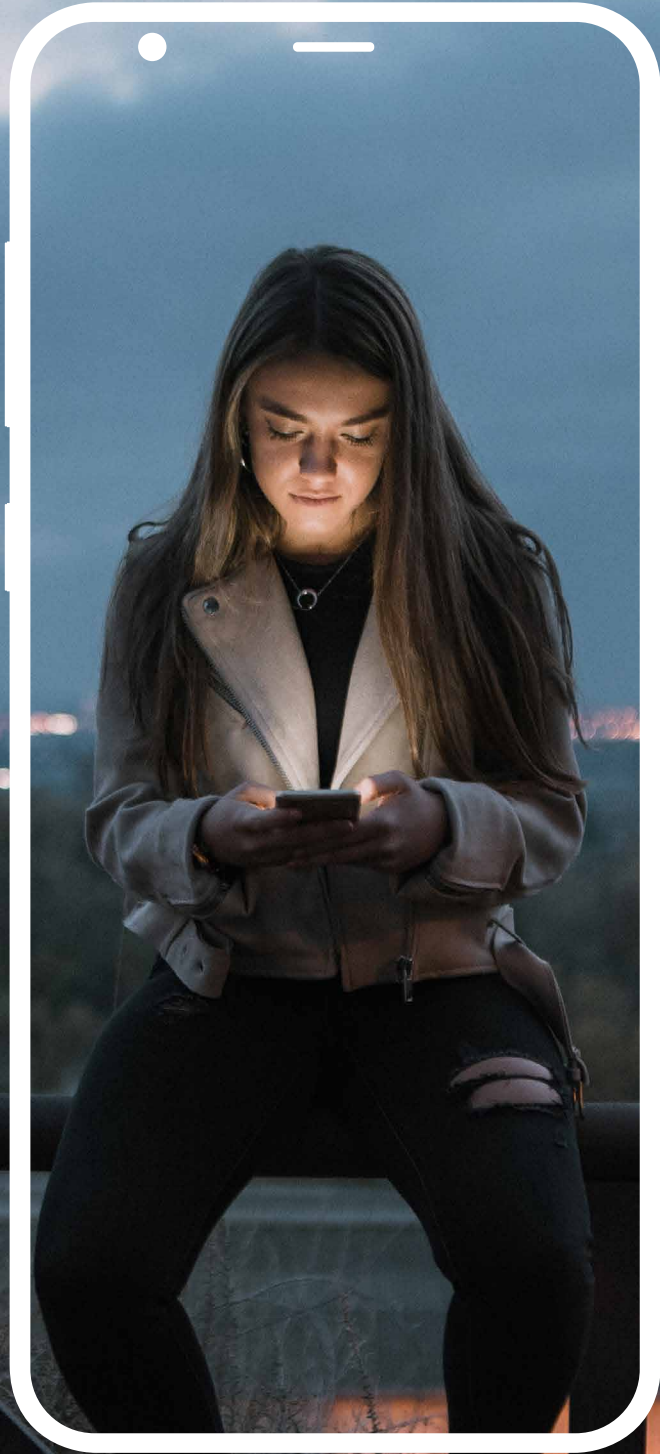


BCE INC. SUSTAINABILITY BOND ALLOCATION REPORT

MARCH 2022



BCE

BCE completes allocation of its inaugural Sustainability Bond

In April 2021, we published the [BCE Sustainable Financing Framework](#) in which we identified seven eligible green categories and three eligible social categories that aligned with our corporate purpose of advancing how Canadians connect with each other and the world. The framework was reviewed by and received a favorable second-party opinion by leading ESG research and analysis firm, [Sustainalytics](#).

Then, on May 25, 2021, Bell Canada, a subsidiary of BCE, became the first Canadian telecommunications company to issue a sustainability bond with the offering in Canada of Cdn \$500 million 2.20% MTN Debentures, Series M-56, maturing May 29, 2028. The bond offering raised \$497,535,000 in net proceeds, which was to be allocated to both green and social eligible investments, primarily to the “energy efficiency” and “affordable basic infrastructure” categories.

As of December 31, 2021, BCE has fully allocated the net proceeds of the sustainability bond to the “energy efficiency” green category and the “affordable basic infrastructure” social category. We also engaged PricewaterhouseCoopers LLP to conduct an independent limited assurance engagement on select key performance indicators indicated by the following symbol (*) below.

Allocation and impact metrics summary

	Green	Social		
Category	Energy efficiency	Affordable basic infrastructure		
Project detail	FTTP	WTTP	FTTP	Total
Investment period	2021	2021	2021	2021
Allocated proceeds	\$247,535,000*	\$217,996,165	\$32,003,835	\$250,000,000*
Impact metric	Energy savings enabled (GWh) annually	Locations passed with 50/10 speeds or faster in rural or remote communities		
Anticipated impact	8.7 GWh annually	235,410 locations passed		

* PricewaterhouseCoopers LLP has provided limited assurance over the key performance indicators marked with the symbol (*). Please see [2021 PWC Sustainability Bond assurance statement](#).

Bond proceeds allocation

	Green	Social		
Category	Energy efficiency	Affordable basic infrastructure		
Project description	Deployment of Fibre to the Premise (FTTP) to connect customers via passive optical fibre and enable the transition away from energy-intensive copper-based networks.	Wireless to the Premise (WTPP) connectivity for communities lacking adequate access to high-speed broadband networks.	Deployment of Fibre to the Premise (FTTP) connectivity for communities lacking adequate access to high-speed broadband networks.	Total
Investment period	2021	2021	2021	2021
Allocated proceeds	\$247,535,000*	\$217,996,165	\$32,003,835	\$250,000,000*

* PricewaterhouseCoopers LLP has provided limited assurance over the key performance indicators marked with the symbol (*). Please see [2021 PWC Sustainability Bond assurance statement](#).

Energy efficiency

As part of our network modernization initiative, we have allocated an amount equal to \$247,535,000 from our Sustainability bond offering to finance the deployment of fibre to the premise (FTTP) to connect customers via passive optical fibre. Amongst the numerous benefits of this technology, it enables significant energy savings as customers migrate over time to passive optical networks and energy-intensive copper-based legacy networks can gradually be de-commissioned. The proceeds allocated to this category were exclusively used to finance eligible projects deployed between January and December 2021.

Affordable basic infrastructure

Directly aligned with our purpose of advancing how Canadians connect with each other and the world and our commitment to address the unique challenges faced by underserved or unconnected areas and populations, we have made significant investments in the deployment of 5G capable wireless to the premise (WTPP) and fibre to the premise (FTTP) connectivity for communities lacking adequate access to high speed broadband networks.

The funds allocated to the deployment of 5G capable WTPP connectivity include investments to offer a larger footprint and passing new locations previously lacking adequate coverage, to add capacity to our existing footprint in order to serve a growing number of community members, and to invest in existing network infrastructure to support the newly connected communities. These projects represent an aggregate amount of \$217,996,165 for investments made from January 2021 to December 2021.

The funds allocated to the deployment of FTTP connectivity for communities lacking adequate access to high-speed broadband networks represent investments made by Bell in projects identified by federal, provincial and/or municipal government authorities as lacking adequate high-speed connectivity. Some programs include government financial incentives to encourage the deployment of high-speed networks, however, funds allocated to this category under the Framework represent investments made by Bell net of any external financial support. These projects represent an aggregate amount of \$32,003,835 for investments made from January 2021 to December 2021.

Impact reporting

Category	Energy efficiency	Affordable basic infrastructure
Metric	Potential annual energy savings enabled by transition from copper to fibre (GWh)	Locations passed from WTTN and FTTP deployment in rural or remote communities
Calculation	Estimated savings from decommissioning powered electronic elements from legacy copper network net of new FTTP equipment	Total number of locations passed with 50/10 speeds or faster in rural or remote communities
Anticipated impact	8.7 GWh annually	235,410 locations passed

We have established one impact metric for each of the two eligible categories receiving the allocation of our Sustainability Bond proceeds. For the Energy Efficiency category, Bell quantifies its impact by potential annual energy savings enabled by transition from copper to fibre networks in gigawatt hours (GWh) and, for the Affordable Basic Infrastructure category, Bell quantifies the impact as the number of locations passed in rural and remote communities with high-speed internet of 50 Mbps download and 10 Mbps upload speeds or faster.

Energy efficiency

For selected eligible investments in the energy efficiency category, namely network investments to deploy FTTP technology as a replacement to energy-intensive copper networks, we evaluate the potential impact as 8.7 GWh per year in energy savings enabled by transition from copper to fibre. Bell's FTTP network leverages an energy efficient architecture known as Passive Optical Network technology (PON). PON technology extends fibre between a Bell central office to a customer location using only passive, non-powered connections. Previous generations of copper-based Internet services require powered electronic equipment in the community to deliver service. Deploying FTTP and retiring legacy copper technology over time will eliminate the need to power and maintain electronic equipment within each community¹. Additionally, PON architectures are future proof as future speed increases will leverage the same fibre infrastructure Bell is installing now without the need to replace fibres or install electronics in the community. The methodology used to measure the impact is by estimating the energy consumption of powered electronic equipment currently in use to maintain legacy networks that could be decommissioned over time in areas new FTTP investments are made. The estimated consumption of different powered electronic elements is calculated through the technical specifications on an annualized basis and is netted against the consumption from the new PON architecture. Timing of decommissioning the legacy copper-based equipment will depend on many constraints, including customer migration to FTTP networks.

Affordable basic infrastructure

For selected eligible investments in the Affordable Basic Infrastructure category, we measure the impact of our investments as 235,410 new and expanded locations passed with high-speed Internet capabilities of 50 Mbps download and 10 Mbps upload speeds or faster. The selected investments are part of Bell's increased network expansion targets to complete the buildout of approximately 1.1 million new direct fibre and Wireless Home Internet (WHI) locations delivered in 2021. In order to measure the impact of selected investments, we used 50 Mbps download and 10 Mbps upload speeds as the minimum threshold determined by the CRTC and federal government that households require to take full advantage of the opportunities offered by digital connectivity and reduce the digital divide between rural and urban Canada².

1 Bell estimates its new FTTP deployments to be between 85 and 97% more energy efficient than existing legacy copper-based technologies in communities benefiting from these selected investments.

2 The Canadian Government has set a goal "...for all Canadians to have access to high-speed Internet of at least 50 Megabits per second download and 10 megabits per second upload speeds." See the answer to "Q2. When we talk about high-speed Internet, what do we mean?" at https://www.ic.gc.ca/eic/site/139.nsf/eng/h_00006.html. These targets match those set by the CRTC as its Universal Service Objective set in CRTC Telecom Regulatory Policies CRTC 2016-496 (<https://crtc.gc.ca/eng/archive/2016/2016-496.htm>) and 2018-377 (<https://crtc.gc.ca/eng/archive/2018/2018-377.htm>).

Case Studies

Affordable basic infrastructure in Nova Scotia

In 2021, Bell brought Wireless Home Internet (WHI) service to approximately 12,000 rural residences in Nova Scotia, able to deliver 50/10 access speeds (50 Mbps download/10 Mbps upload). Over the period from January to December 2021, Bell allocated a total of \$14,004,659 from its Sustainability bond proceeds to deploy its wireless to the premise technology to many communities in Nova Scotia, namely Amherst, Greenwood, Middleton and Yarmouth.

Delivered over Bell's advanced LTE wireless network, WHI is 5G-capable technology specifically designed to extend broadband Internet access to previously unserved or underserved communities. WHI operates on a dedicated fixed wireless LTE channel separate from the mobile LTE channel, ensuring consistent capacity and speed for both fixed and mobile customers.

"As the key builder of Canada's network infrastructure, Bell developed Wireless Home Internet specifically to ensure that rural Canada can share in all the opportunities of our digital future," said Stephen Howe, Bell's Chief Technology Officer. "Wireless Home Internet is ready to enable all the speed and capacity capabilities of fixed 5G Internet access in future by leveraging additional 3500 MHz spectrum."

"Bell Wireless Home Internet has made a positive difference for many Canadians living in rural and other underserved communities, and we're proud to bring this unique service to the Atlantic provinces," said Glen LeBlanc, Bell's Vice Chair, Atlantic Canada. "Residences in Atlantic Canada communities will get access to fast and reliable broadband service, building on Bell's purpose to advance how Canadians connect with each other and the world."

"Access to high-speed Internet is no longer a luxury, it's a necessity – one that's become increasingly important due to the COVID-19 pandemic," said the Honourable Navdeep Bains, Minister of Innovation, Science and Industry. "The expansion of Bell's Wireless Home Internet service will help Canadians in rural Atlantic communities get connected faster, better and easier to run their businesses, pursue educational opportunities and participate in the digital economy."



Wireless Home Internet leverages Bell's fibre and wireless networks to efficiently deliver broadband Internet access to smaller towns, rural communities and other hard-to-reach locations.

Affordable basic infrastructure in Central and Eastern Ontario

In May 2021, the federal government announced funding in partnership with regional Internet providers, such as Bell, for investments to bring high-speed Internet to rural residents in communities in eastern and central Ontario. Through this program, Bell contributes to connecting underserved households in the regions of Baysville, Merrickville-Wolford, Newtonville, Newcastle, Clarington, Spencerville, and West Guilford with the fastest high speed Internet powered by its best-in-class fibre network.

As the COVID-19 pandemic has highlighted how much we rely on our connections, Canadians across the country increasingly need access to reliable high-speed Internet as many of us are working, learning, and staying in touch with friends and family from home. Many Canadians living in rural and remote communities lack access to high-speed Internet. Through the Universal Broadband Fund's (UBF) Rapid Response Stream, the Government of Canada in partnership with regional Internet providers are taking actions to get Canadians connected to the high-speed Internet they need.

From Bell's initial commitment of \$2,129,227, cumulative capital investments on this project for the period ending December 31, 2021 were \$768,853 and the project is expected to activate 1,245 new locations in these Ontario communities by the end of Q1 2022.

"Access to high-speed broadband networks will be a driver of Canada's recovery from the COVID-19 pandemic and of future social and economic prosperity, and Bell has committed to further accelerating our industry-leading capital investment plan over the next two years to connect even more communities across the country. We're proud to invest and to partner with the Government of Canada in providing residents in Baysville, Merrickville-Wolford, Newtonville, Newcastle, Clarington, Spencerville, and West Guilford with access to the fastest fibre home internet speeds available."

Bruce Furlong, Senior Vice-President, Access Engineering and Deployment, Bell Canada



Baysville



Clarington



Merrickville

To the extent this information sheet contains forward-looking statements including, without limitation, outlooks, plans, objectives, strategic priorities, commitments, undertakings and other statements that do not refer to historical facts, these statements are not guarantees of future performance or events, and we caution you against relying on any of these forward-looking statements. Forward-looking statements are subject to inherent risks and uncertainties and are based on assumptions that 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. Refer to BCE Inc.'s most recent annual management's discussion and analysis (MD&A), as updated in BCE Inc.'s subsequent quarterly MD&As, for further information on such risks, uncertainties and assumptions. BCE Inc.'s MD&As are available on its website at bce.ca, on SEDAR at sedar.com and on EDGAR at sec.gov.