

**BCE**

NOTICE OF 2016 ANNUAL  
GENERAL SHAREHOLDER MEETING AND  
MANAGEMENT PROXY CIRCULAR

ANNUAL GENERAL MEETING, MONTRÉAL, APRIL 28, 2016

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## Voting by proxy is the easiest way to vote

Please refer to the proxy form or voting instruction form provided to you or to section 2 entitled *About Voting Your Shares* for more information on the voting methods available to you. **If you elect to vote on the Internet or by telephone, you do not need to return your proxy form or voting instruction form.**



# Letter From the Chair of the Board and the President and Chief Executive Officer

Dear fellow shareholders,

It is our pleasure to invite you to BCE's 2016 Annual General Shareholder Meeting to be held at 9:30 a.m. on Thursday, April 28, 2016, at the Palais des congrès in Montréal.

If you are unable to attend in person, a live webcast of the meeting will be available on our website at [BCE.ca](http://BCE.ca).

As a shareholder, you have the right to vote your shares on all items that come before the meeting. Your vote is important and we encourage you to exercise your right in the manner that suits you best. We facilitate this process by enabling you to vote by proxy on the Internet, by phone, by fax or by mail. You can also vote in person at the meeting.

This circular provides details about all the items for consideration at the meeting, such as information about nominated directors and their compensation, the auditors, our corporate governance practices, reports from the four standing committees of the Board, and shareholder proposals. It also contains detailed information about our philosophy, policies and programs for executive compensation and how your Board receives input from shareholders on these matters.

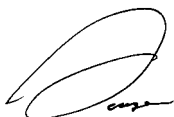
At the meeting, we will review our financial position, business operations and the value we are delivering to shareholders. We also look forward to responding to your questions.

Thank you for your support and continued confidence in BCE. We look forward to seeing you at this year's meeting.

Sincerely,



Thomas C. O'Neill  
Chair of the Board



George A. Cope  
President and CEO



Thomas C. O'Neill



George A. Cope

March 3, 2016

The BCE logo, consisting of the letters "BCE" in a bold, blue, sans-serif font.

# Summary

Below are highlights of some of the important information you will find in this management proxy circular. These highlights do not contain all the information that you should consider. You should therefore read the circular in its entirety before voting.

## Shareholder voting matters

VOTING MATTER	BOARD VOTE RECOMMENDATION	PAGE REFERENCE FOR MORE INFORMATION
Election of 14 Directors	FOR each nominee	8 and 10
Appointing Deloitte LLP as Auditors	FOR	8
Advisory Resolution on Executive Compensation	FOR	9 and 42
SHAREHOLDER PROPOSALS		
Female Representation in Senior Management	AGAINST	9 and 80
Reconstitution of Compensation Committee	AGAINST	9 and 80

## Our director nominees

NAME AND REGION	AGE	DIRECTOR SINCE	POSITION	INDEPENDENT	COMMITTEE MEMBERSHIPS	BOARD AND COMMITTEE ATTENDANCE 2015	OTHER PUBLIC BOARDS	TOP FOUR COMPETENCIES
B.K. Allen U.S.	67	2009	Operating Partner – Providence Equity Partners LLC	Yes	Compensation, Governance	100%	2	Governance, Human Resources/Compensation, Technology and Telecommunications
R.A. Brenneman Alberta	69	2003	Corporate Director	Yes	Compensation (Chair), Pension	100%	3	CEO/Senior Management, Governance, Human Resources/Compensation and Retail/Customer
S. Brochu Québec	52	2010	President and CEO – Gaz Métro	Yes	Audit, Governance	94%	1	CEO/Senior Management, Governance, Government/Regulatory Affairs and Retail/Customer
R.E. Brown Québec	71	2009	Corporate Director	Yes	Compensation, Governance (Chair)	95%	3	CEO/Senior Management, Governance, Human Resources/Compensation and Risk Management
G.A. Cope Ontario	54	2008	President and CEO – BCE and Bell Canada	No	–	100%	1	CEO/Senior Management, Government/Regulatory Affairs, Media/Content and Telecommunications
D.F. Denison Ontario	63	2012	Corporate Director	Yes	Audit, Pension (Chair)	100%	3	Accounting & Finance, CEO/Senior Management, Investment Banking/Mergers & Acquisitions and Risk Management
R.P. Dexter Nova Scotia	64	2014	Chair and CEO – Maritime Travel Inc.	Yes	Audit, Pension	82%	3	Governance, Human Resources/Compensation, Retail/Customer and Risk Management
I. Greenberg Québec	73	2013	Corporate Director	Yes	Audit, Compensation	100%	1	CEO/Senior Management, Government/Regulatory Affairs, Human Resources/Compensation and Media/Content
K. Lee Ontario	52	2015	Corporate Director	Yes	Audit, Pension	100%	1	Accounting & Finance, CEO/Senior Management, Investment Banking/Mergers & Acquisitions and Risk Management
M.F. Leroux Québec	61	New Nominee	Chair, President and CEO – Desjardins Group <sup>(1)</sup>	Yes	N/A	N/A	3	Accounting & Finance, CEO/Senior Management, Governance and Retail/Customer
G.M. Nixon Ontario	59	2014	Corporate Director	Yes	Compensation, Governance	100%	2	CEO/Senior Management, Governance, Human Resources/Compensation and Investment Banking/Mergers & Acquisitions
C. Rovinescu Québec	60	New Nominee	President and CEO – Air Canada	Yes	N/A	N/A	2	CEO/Senior Management, Human Resources/Compensation, Investment Banking/Mergers & Acquisitions and Retail/Customer
R.C. Simmonds Ontario	62	2011	Chair – Lenbrook Corporation	Yes	Audit, Governance	100%	–	Governance, Government/Regulatory Affairs, Technology and Telecommunications
P.R. Weiss Ontario	68	2009	Corporate Director	Yes	Audit (Chair), Pension	100%	2	Accounting & Finance, Governance, Investment Banking/Mergers & Acquisitions and Risk Management

(1) Ms. Leroux will retire as Chair, President and CEO of Desjardins Group on April 9, 2016.

## Corporate governance

BCE's Board and management believe that strong corporate governance practices contribute to superior results in creating and maintaining shareholder value. That is why we continually seek to strengthen our leadership in corporate governance and ethical business conduct by adopting best practices and providing full transparency and accountability to our shareholders. The Board is responsible for the supervision of the business and affairs of the Corporation.

98%

BOARD AND COMMITTEE  
ATTENDANCE

98%

AVERAGE VOTE IN FAVOUR  
FOR THE ELECTION OF  
OUR DIRECTORS AT  
2015 MEETING

100%

OF DIRECTORS OTHER  
THAN OUR CEO  
ARE INDEPENDENT

96%

APPROVAL ON  
ADVISORY EXECUTIVE  
COMPENSATION VOTE  
AT 2015 MEETING

### HIGHLIGHTS

- Appointed one new director (Ms. Katherine Lee) and recruited two new Board nominees (Ms. Monique F. Leroux and Mr. Calin Rovinescu) ensuring the appropriate mix of skills, expertise, experience and geographical representation is maintained at the Board level
- Conducted a Board Chair succession process culminating in the Board's unanimous intention to appoint Mr. Gordon M. Nixon as Board Chair, subject to his re-election at the meeting
- Taken steps and made progress towards achieving target that women represent at least 25% of non-executive directors by the end of 2017
- Conducted a comprehensive assessment of the effectiveness and performance of the Board and its committees
- Approved our strategic plan, taking into account the opportunities and risks of the business units for the upcoming year.

Details on page 22

## Executive compensation

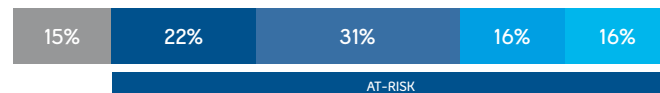
BCE is focused on a pay-for-performance approach for all team members, including our executives. In order to attract, motivate and retain top talent, the Corporation offers a competitive total compensation package, positioned at the 60th percentile of the comparator group.

- **BASE SALARY:** positioned at the median of our comparator group, rewards the scope and responsibilities of a position
- **ANNUAL INCENTIVE:** positioned at the 75th percentile of our comparator group, encourages strong performance against yearly corporate and individual objectives
- **LONG-TERM INCENTIVE:** brings total compensation to the 60th percentile of our comparator group, aligns with long-term interests of shareholders.

The mix of vehicles awarded under the long-term incentive plan favours the execution of multiple objectives. For instance, the vesting of performance share units (PSUs) depends on the realization of our dividend growth policy, while stock options reflect our commitment to drive the share price for our stakeholders. Restricted share units (RSUs) provide a valuable retention tool in maintaining in place a world-class executive team.

### 2015 TARGET PAY AT RISK<sup>(1)</sup>

#### President and CEO



#### Other NEOs



■ Salary ■ Annual Short-Term Incentive Plan ■ RSU Awards ■ PSU Awards ■ Option Based Awards

(1) Based on 2015 actual base salary. At-risk components are based on target levels. Excludes pension and other compensation elements.

### OVERVIEW OF EXECUTIVE COMPENSATION BEST PRACTICES ADOPTED BY BCE

- Stringent share ownership requirements
- Emphasis on pay at risk for executive compensation
- Double trigger change-in-control policy
- Anti-hedging policy on share ownership and incentive compensation
- Clawbacks for the President & CEO and all EVPs as well as all option holders
- Caps on all Supplemental Executive Retirement Plans (SERP) and annual bonus payouts, in addition to mid-term and long-term incentive grants
- Vesting criteria fully aligned to shareholder interests

Details on page 55



# 1 Notice of 2016 Annual General Shareholder Meeting and Meeting Materials

## YOUR VOTE IS IMPORTANT

As a shareholder, it is very important that you read this material carefully and then vote your shares, either by proxy or in person at the meeting.

*In this document, you, your and shareholder refer to the common shareholders of BCE. We, us, our, Corporation and BCE refer to BCE Inc., unless otherwise indicated. The information in this document is at March 3, 2016, unless otherwise indicated.*

### WHEN

Thursday, April 28, 2016, 9:30 a.m. (Eastern time)

### WHERE

Palais des congrès, 1001 Place Jean-Paul-Riopelle, Montréal, Québec

### WEBCAST

A live webcast of the meeting will be available on our website at [BCE.ca](http://BCE.ca)

### WHAT THE MEETING IS ABOUT

1. receiving the financial statements for the year ended December 31, 2015, including the auditors' reports
2. electing 14 directors who will serve until the end of the next annual shareholder meeting
3. appointing the auditors who will serve until the end of the next annual shareholder meeting
4. considering an advisory (non-binding) resolution on executive compensation
5. considering the two shareholder proposals described in Schedule A.

The meeting may also consider other business that properly comes before it.

### YOU HAVE THE RIGHT TO VOTE

You are entitled to receive notice of and vote at our meeting, or any adjournment, if you are a holder of common shares of the Corporation on March 14, 2016.

You have the right to vote your shares on items 2 to 5 listed above and any other items that may properly come before the meeting or any adjournment.

By order of the Board,



Michel Lalande

Senior Vice-President – General Counsel and Corporate Secretary

Montréal, Québec

March 3, 2016

### MEETING MATERIALS

This year, as permitted by Canadian securities regulators, we are using notice-and-access to deliver this circular to both our registered and non-registered shareholders. This means that the circular is being posted online for you to access, rather than being mailed out. Notice-and-access gives shareholders more choice, substantially reduces our printing and mailing costs, and is environmentally friendly as it reduces paper and energy consumption.

You will still receive a form of proxy or a voting instruction form in the mail so you can vote your shares but, instead of receiving a paper copy of this information circular, you will receive a notice with information about how you can access the information circular electronically and how to request a paper copy. The circular is available at [www.meetingdocuments.com/cst/bce](http://www.meetingdocuments.com/cst/bce), on our website at [BCE.ca](http://BCE.ca), on SEDAR at [sedar.com](http://sedar.com) and on EDGAR at [sec.gov](http://sec.gov).

You may request a paper copy of this information circular, at no cost, up to one year from the date the circular was filed on SEDAR. You may make such a request at any time prior to the Meeting on the web at [www.meetingdocuments.com/cst/bce](http://www.meetingdocuments.com/cst/bce) or by contacting our transfer agent, CST Trust Company (CST) at 1-888-433-6443 (toll free in Canada and the United States) or 416-682-3860 (other countries) and following the instructions.

After the meeting, requests may be made by calling 1-800-339-6353.

### ADMISSION TO THE MEETING

You will need to register with CST, our transfer agent, before entering the meeting.

### APPROVAL OF THIS CIRCULAR

The Board has approved the content of this circular and authorized it to be sent to shareholders, to each director and to the auditors.

# 2 About Voting Your Shares

## 2.1 How to vote

The record date for determining shareholders entitled to vote is March 14, 2016. You have one vote for each common share you hold on that date. As at March 3, 2016, 868,078,094 common shares were outstanding.

### Registered shareholders

You are a registered shareholder when your name appears on your share certificate. Your proxy form tells you whether you are a registered shareholder.

#### OPTION 1 – BY PROXY (PROXY FORM)

You may give your voting instructions in the following manner:



##### INTERNET

Go to [www.cstvotemyproxy.com](http://www.cstvotemyproxy.com) and follow the instructions



##### TELEPHONE

Call 1-888-489-7352 (Canada and the United States) or 1-800-1960-1968 (other countries)

If you vote by telephone, you cannot appoint anyone other than the directors named on your proxy form as your proxyholder



##### FAX

Complete the proxy form and return it by fax at 1-866-781-3111 (Canada and the United States) or 416-368-2502 (other countries)



##### MAIL

Return the completed proxy form in the prepaid envelope provided

Our transfer agent, CST, must receive your proxy form or you must have voted by Internet or telephone before 4:45 p.m. (Eastern time) on Wednesday, April 27, 2016.

#### OPTION 2 – IN PERSON AT THE MEETING

You do not need to complete or return your proxy form. You have to see a representative of CST before entering the meeting to register your attendance. Voting in person at the meeting will automatically cancel any proxy you completed and submitted earlier.

### Non-registered shareholders

You are a non-registered shareholder when an intermediary (a bank, trust company, securities broker or other financial institution) holds your shares on your behalf. When you receive a voting instruction form, this tells you that you are a non-registered shareholder.

#### OPTION 1 – BY PROXY (VOTING INSTRUCTION FORM)

You may give your voting instructions in the following manner:



##### INTERNET

Go to [www.ProxyVote.com](http://www.ProxyVote.com) and follow the instructions



##### TELEPHONE

Call 1-800-474-7493 (English) or 1-800-474-7501 (French)

If you vote by telephone, you cannot appoint anyone other than the directors named on your voting instruction form as your proxyholder



##### FAX

Complete the voting instruction form and return it by fax to 905-507-7793 or 514-281-8911



##### MAIL

Return your voting instruction form in the prepaid envelope provided

Your intermediary must receive your voting instructions with sufficient time for your vote to be processed before 4:45 p.m. (Eastern time) on Wednesday, April 27, 2016. If you vote by Internet or telephone, you must do so prior to 4:45 p.m. (Eastern time) on Wednesday, April 27, 2016.

Alternatively, you may be a non-registered shareholder who will receive from your intermediary a proxy form that has been pre-authorized by your intermediary indicating the number of shares to be voted, which is to be completed, dated, signed and returned to CST by mail or fax.

#### OPTION 2 – IN PERSON AT THE MEETING

We do not have access to the names or holdings of our non-registered shareholders. That means you can only vote your shares in person at the meeting if you have previously appointed yourself as the proxyholder for your shares by printing your name in the space provided on the voting instruction form and submitting it as directed on the form. At the meeting, you should see a CST representative.

If you are unsure whether you are a registered or non-registered shareholder, please contact CST by email at [bce@canstockta.com](mailto:bce@canstockta.com) or by telephone: 1-800-561-0934 (in Canada and the United States) or 416-682-3861 (other countries)

If you are an individual shareholder, you or your authorized attorney must sign the proxy or voting instruction form. If you are a corporation or other legal entity, an authorized officer or attorney must sign the proxy or voting instruction form.

## 2.2 How your shares will be voted

You can choose to vote “For”, “Withhold” or “Against”, depending on the item to be voted on.

When you sign the proxy form or voting instruction form, you authorize Sophie Brochu, George A. Cope, Gordon M. Nixon or Thomas C. O'Neill, who are all directors, to vote your shares for you at the meeting according to your instructions. **If you return your proxy form or voting instruction form and do not tell us how you want to vote your shares, your vote will be counted:**

- **FOR** electing the 14 nominated directors listed in the circular
- **FOR** appointing Deloitte LLP as auditors
- **FOR** approving the advisory resolution on executive compensation
- **AGAINST** the two shareholder proposals.

**You may appoint another person to go to the meeting and vote your shares for you.** If you wish to do so, strike out the four names of the directors and write the name of the person voting for you in the space provided. This person does not have to be a shareholder. He or she must be present at the meeting to vote your shares. Your proxyholder will vote your shares as he or she sees fit on any amendments to the items to be voted on and on any other items that may properly come before the meeting or any adjournment.

## 2.3 Changing your vote

You can change a vote you made by proxy by:

- voting again on the Internet or by telephone before **4:45 p.m. (Eastern time) on Wednesday, April 27, 2016**
- if you are a registered shareholder, completing a proxy form that is dated later than the proxy form you are changing and mailing it as instructed on your proxy form so that it is received before **4:45 p.m. (Eastern time) on Wednesday, April 27, 2016**
- if you are a non-registered shareholder, contacting your intermediary to find out what to do.

If you are a registered shareholder, you can also revoke a vote you made by proxy by sending a notice in writing from you or your authorized attorney to our Corporate Secretary so that it is received before **4:45 p.m. (Eastern time) on Wednesday, April 27, 2016**, or by giving a notice in writing from you or your authorized attorney to the Chair of the meeting, at the meeting or any adjournment thereof.

## 2.4 How the votes are counted

The election of directors (subject to our majority voting guidelines—see section 3.2 entitled *Electing directors*), appointment of the auditors, approval of the advisory resolution on executive compensation and the vote on the shareholder proposals will each be determined by a majority of votes cast at the meeting by proxy or in person.

## 2.5 Confidentiality

CST counts and tabulates the votes. It does this independently of us to make sure that the votes of individual shareholders are confidential. Proxy forms or voting instruction forms are referred to us only when it is clear that a shareholder wants to communicate with management, the validity of the form is in question or the law requires it.

## 2.6 Electronic voting at the meeting

Voting on all proposals at the meeting will be done through the use of electronic ballot. This allows us to expedite the voting process and present the final votes on screen at the meeting.

On arrival at the meeting, all shareholders entitled to vote will be required to register with our transfer agent, CST, and given a hand-held device containing a personalized smart card with details of their shareholding to be used for the electronic vote. After each proposal is put to the meeting by the Chair, you will be asked to cast your vote by pressing a button on your keypad. All the votes represented by shareholders present at the meeting will be counted and added to those voted by proxy, and the final votes will be shown on screen at the meeting.

**If you have already voted by proxy, you will not need a hand-held device as your vote will already have been registered.** However, should you wish to change your vote and you are a registered shareholder, you will still be able to do so at the meeting using the hand-held device, and your vote on the day of the meeting will replace your vote by proxy.



## 2.7 Other information

To help you make an informed decision, please read this circular and our annual report for the year ended December 31, 2015, which you can access on our website at [BCE.ca](http://BCE.ca), on SEDAR at [sedar.com](http://sedar.com) and on EDGAR at [sec.gov](http://sec.gov). This circular tells you about the meeting, the nominated directors, the proposed auditors, the Board's committees, our corporate governance practices, compensation of directors and executives and the shareholder proposals. The annual report gives you a review of our activities for the past year and includes a copy of our annual financial statements and the related management's discussion and analysis of financial condition and results of operations (MD&A).

Proxy materials are sent to our registered shareholders through our transfer agent, CST. We do not send proxy-related materials directly to non-registered shareholders, and instead use the services of Broadridge Investor Communication Solutions, Canada, who acts on behalf of intermediaries to send proxy materials. We intend to pay intermediaries to send proxy-related materials and voting instruction forms to objecting non-registered shareholders.

## 2.8 Questions

If you have any questions about the information contained in this document or require assistance in completing your proxy form or voting instruction form, please contact our proxy solicitation agent, D.F. King Canada, a division of CST Investor Services Inc. (D.F. King).

**North American Toll Free Phone:** 1-866-822-1244

**Banks, Brokers and Collect Calls:** 416-682-3825

**Facsimile:** 647-351-3176

**or North American Toll Free Facsimile:** 1-888-509-5907

**Email:** [inquiries@dfking.com](mailto:inquiries@dfking.com)

Your proxy is solicited by management. In addition to solicitation by mail, our employees or agents may solicit proxies by telephone or other ways at a nominal cost. We have retained D.F. King to solicit proxies for us in Canada and the United States at an estimated cost of \$40,000. We pay the costs of these solicitations.

## 3 What the Meeting Will Cover

### 3.1 Receiving our financial statements

BCE's annual audited financial statements are included in our 2015 annual report.

### 3.2 Electing directors

Please see section 4 entitled *About the Nominated Directors* for more information. Directors appointed at the meeting will serve until the end of the next annual shareholder meeting, or until their resignation, if earlier.

All of the individuals nominated for election as directors are currently members of the Board, and each was elected at our 2015 annual shareholder meeting held on April 30, 2015, by at least a majority of the votes cast, with the exception of Ms. Monique F. Leroux and Mr. Calin Rovinescu, two nominees who stand for election at the meeting, and Ms. Katherine Lee, who was appointed to the Board on August 6, 2015. The Board recommends that you vote **FOR** the election of the 14 individuals nominated.

#### MAJORITY VOTING

Our guidelines with respect to the election of directors are that if any director nominee at an uncontested election does not receive a greater number of votes "For" his or her election than votes "Withheld" from

such election, then such director nominee must immediately tender his or her resignation to the Board. The resignation will take effect only upon acceptance by the Board.

Within 90 days, the Board must determine either to accept or not the resignation, and we will issue a press release announcing the Board's determination, including, in cases where the Board has determined not to accept the resignation, the reasons therefor. It is generally expected that the Governance Committee will recommend that the Board accept such resignation, except in exceptional circumstances.

#### You will be electing the 14 members of your Board

If you do not specify how you want your shares voted, the directors named as proxyholders in the proxy form or voting instruction form intend to cast the votes represented by proxy at the meeting **FOR** the election as directors of the nominated directors in this circular.

### 3.3 Appointing the auditors

The Board, on the advice of the Audit Committee, recommends that Deloitte LLP be reappointed as auditors. The audit firm appointed at the meeting will serve until the end of the next annual shareholder meeting.

Every year, the Audit Committee performs an assessment of the quality of the services rendered and the performance by Deloitte LLP as auditors of the Corporation. This assessment is based, among other things, on the audit plan submitted, the risk areas identified, the nature of the audit findings and the reports presented to the Audit Committee. Given the satisfactory results of the assessment regarding the 2015 audit, the Board, on the advice of the Audit Committee, recommends that you vote **FOR** the appointment of Deloitte LLP as auditors of the Corporation.

#### You will be appointing your auditors

If you do not specify how you want your shares voted, the directors named as proxyholders in the proxy form or voting instruction form intend to cast the votes represented by proxy at the meeting **FOR** the appointment of Deloitte LLP as auditors.

#### EXTERNAL AUDITORS' FEES

The table below shows the fees that BCE's external auditors, Deloitte LLP, billed to BCE and its subsidiaries for various services in each of the past two fiscal years.

	2015 (IN \$ MILLIONS)	2014 (IN \$ MILLIONS)
Audit fees <sup>(1)</sup>	9.5	9.4
Audit-related fees <sup>(2)</sup>	1.6	1.7
Tax fees <sup>(3)</sup>	0.6	0.6
All other fees <sup>(4)</sup>	0.0	0.6
Total <sup>(5)</sup>	11.7	12.3

(1) These fees include professional services provided by the external auditors for statutory audits of the annual financial statements, the audit of the effectiveness of internal control over financial reporting, the review of interim financial reports, the review of financial accounting and reporting matters, the review of securities offering documents, other regulatory audits and filings and translation services.

(2) These fees relate to non-statutory audits and due diligence procedures.

(3) These fees include professional services for tax compliance, tax advice and assistance with tax audits and appeals.

(4) These fees include any other fees for permitted services not included in any of the above-stated categories. In 2014, the fees are for services related to compliance with the Payment Card Industry Data Security Standard.

(5) The amounts of \$11.7 million for 2015 and \$12.3 million for 2014 reflect fees billed in those fiscal years without taking into account the year to which those services relate. Total fees for services provided for each fiscal year amounted to \$9.5 million in 2015 and \$10.2 million in 2014.

## 3.4 Considering an advisory resolution on executive compensation

Our executive compensation philosophy, policies and programs are based on the fundamental principle of pay-for-performance to align the interests of our executives with those of our shareholders. This compensation approach allows us to attract and retain high-performing executives who will be strongly incented to create value for our shareholders on a sustainable basis. As a shareholder you are asked to consider the following resolution:

*Resolved, on an advisory basis and not to diminish the role and responsibilities of the Board of Directors, that the shareholders accept the approach to executive compensation disclosed in this management proxy circular provided in advance of the 2016 Annual Meeting of Shareholders of BCE.*

The Board recommends that you vote **FOR** this resolution.

Because your vote is advisory, it will not be binding upon the Board. However, the Management Resources and Compensation Committee of the Board (Compensation Committee) will review and analyze the results

of the vote and take into consideration such results when reviewing executive compensation philosophy, policies and programs. Please see section 6.2 entitled *Shareholder engagement* for more details on how you can ask questions and provide comments to the Board and the Compensation Committee on executive compensation. The Board believes that our current practices achieve substantially the same results as the Canadian Coalition for Good Governance's (CCGG) Model Policy of the Board of Directors on Engagement with Shareholders on Governance Matters and "Say on Pay" Policy for Boards of Directors.

### You will vote on an advisory resolution on executive compensation

If you do not specify how you want your shares voted, the directors named as proxyholders in the proxy form or voting instruction form intend to cast the votes represented by proxy at the meeting **FOR** the adoption of the advisory resolution on executive compensation.

## 3.5 Considering the shareholder proposals

You will be voting on two shareholder proposals that have been submitted for consideration at the meeting. These proposals are set out in Schedule A. The Board recommends that you vote **AGAINST** each proposal.

### You will be voting on two shareholder proposals

If you do not specify how you want your shares voted, the directors named as proxyholders in the proxy form or voting instruction form intend to cast the votes represented by proxy at the meeting **AGAINST** the two shareholder proposals in accordance with the Board's recommendations set out in Schedule A.

## 3.6 Other business

Following the conclusion of the formal business to be conducted at the meeting, we will:

- provide an update on our business operations, and
- invite questions and comments from shareholders.

If you are not a shareholder, you may be allowed into the meeting after speaking with a representative of CST and if the Chair of the meeting allows it.

As of the date of this circular, management is not aware of any changes to these items and does not expect any other items to be brought forward at the meeting. If there are changes or new items, your proxyholder can vote your shares on these items as he or she sees fit.

# 4 About the Nominated Directors

The following pages include a profile of each nominated director, including two new director nominees, Ms. Monique F. Leroux and Mr. Calin Rovinescu, and one director nominee appointed in August 2015, Ms. Katherine Lee, with an explanation of his or her experience, qualifications, top four areas of expertise, participation on the Board and its committees, ownership, value of equity securities of BCE and extent of fulfillment of the BCE share ownership requirements, previous voting results as well as participation on the boards of other public companies. A more detailed description of our directors' skills can be found under the heading *Competency requirements* in section 6 entitled *Corporate Governance Practices*. For current committee memberships and current committee chairpersons, please refer to section 7 entitled *Committee Reports*. For more information on the compensation paid to non-management directors, please refer to section 5 entitled *Director Compensation*.

The following table discloses the total holdings of BCE common shares and deferred share units (DSUs) of the nominated directors as of March 5, 2015 and March 3, 2016. The total value of common shares/DSUs is determined by multiplying the number of common shares and DSUs of BCE held by each nominee as of March 5, 2015 and March 3, 2016 by the closing price of BCE's common shares on the Toronto Stock Exchange as of the close of business on these dates, being \$55.10 and \$57.05.

## TOTAL SHAREHOLDINGS OF NOMINATED DIRECTORS

MARCH 3, 2016		MARCH 5, 2015	
BCE Common Shares	392,228	BCE Common Shares	379,561
BCE Deferred Share Units	1,287,492	BCE Deferred Share Units	1,196,479
Value (\$)	95,828,026	Value (\$)	86,839,804

Your directors own a significant shareholding interest in BCE, aligning their interests with yours



### Barry K. Allen

Boca Grande (Florida) United States

Operating Partner  
Providence Equity Partners LLC  
Since September 2007

Age: 67

Status: Independent

Joined Board: May 2009

Top 4 Areas of Expertise: Governance, Human Resources/  
Compensation, Technology, Telecommunications

2015 Annual Meeting Votes in Favour: 99.01%

Mr. Allen is an Operating Partner of Providence Equity Partners LLC (a private equity firm focused on media, entertainment, communications and information investments). Prior to joining Providence in 2007, he was Executive Vice-President of Operations at Qwest Communications International (a telecommunications company), responsible for the company's network and information technology operations. In addition, since 2000, Mr. Allen has served as President of Allen Enterprises, LLC, a private equity investment and management company he founded. Mr. Allen holds a Bachelor of Arts degree from the University of Kentucky and an M.B.A. from Boston University.

### BOARD & COMMITTEE ATTENDANCE DURING 2015

	REGULAR	SPECIAL	TOTAL
Board	6/6	2/2	8/8
Compensation Committee	5/5	1/1	6/6
Governance Committee	4/4	1/1	5/5
<b>Total Board &amp; Committee Attendance</b>	<b>100%</b>		

### OTHER PUBLIC BOARD DIRECTORSHIPS

PRESENT BOARDS	
CDW Corporation	2008–present
Fiduciary Management, Inc.	1996–present
PAST BOARDS (LAST FIVE YEARS)	
Harley-Davidson, Inc.	1992–2015

### OWNERSHIP AND TOTAL VALUE OF EQUITY

MARCH 3, 2016	
BCE Common Shares	22,500
BCE DSUs	16,783
<b>Value (\$)</b>	<b>2,241,095</b>
MARCH 5, 2015	
BCE Common Shares	22,500
BCE DSUs	14,160
<b>Value (\$)</b>	<b>2,019,966</b>

### SHARE OWNERSHIP REQUIREMENTS - TARGET DATE TO MEET

Five-Year Target	Met (393%)	Ten-Year Target	Met (169%)
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## Ronald A. Brenneman

Calgary (Alberta) Canada

Corporate Director

Since March 2010

Age: 69

Status: Independent

Joined Board: November 2003

**Top 4 Areas of Expertise:** CEO/Senior Management, Governance, Human Resources/Compensation, Retail/Customer

2015 Annual Meeting Votes in Favour: 98.8%

Mr. Brenneman is a corporate director and was Executive Vice-Chair of Suncor Energy Inc. (an integrated energy company) from August 2009 until February 2010 and was President and CEO of Petro-Canada (a petroleum company) from 2000 until August 2009. Before 2000, Mr. Brenneman spent more than 30 years with Imperial Oil Limited and its parent company, Exxon Mobil Corporation (both petroleum companies). He was a member of the board of the Canadian Council of Chief Executives until July 2009. Mr. Brenneman holds a B.Sc. in Chemical Engineering from the University of Toronto and a M.Sc. in Control Systems from the University of Manchester.

## BOARD & COMMITTEE ATTENDANCE DURING 2015

	REGULAR	SPECIAL	TOTAL
Board	6/6	2/2	8/8
Compensation Committee (Chair)	5/5	1/1	6/6
Pension Committee	4/4	–	4/4
<b>Total Board &amp; Committee Attendance</b>	<b>100%</b>		

## OTHER PUBLIC BOARD DIRECTORSHIPS

### PRESENT BOARDS

Bank of Nova Scotia	2000–present
Ithaca Energy Inc.	2010–present
WestJet Airlines Ltd.	2009–present

### PAST BOARDS (LAST FIVE YEARS)

N/A

## OWNERSHIP AND TOTAL VALUE OF EQUITY

### MARCH 3, 2016

BCE Common Shares	123,804
BCE DSUs	59,075
<b>Value (\$)</b>	<b>10,433,247</b>

### MARCH 5, 2015

BCE Common Shares	123,804
BCE DSUs	54,107
<b>Value (\$)</b>	<b>9,802,896</b>

## SHARE OWNERSHIP REQUIREMENTS - TARGET DATE TO MEET

Five-Year Target	<b>Met (1,830%)</b>	Ten-Year Target	<b>Met (784%)</b>
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## Sophie Brochu

Bromont (Québec) Canada

President and CEO

Gaz Métro

Since February 2007

Age: 52

Status: Independent

Joined Board: May 2010

**Top 4 Areas of Expertise:** CEO/Senior Management, Governance, Government & Regulatory Affairs, Retail/Customer

2015 Annual Meeting Votes in Favour: 98.79%

Ms. Brochu has been active in the energy industry for nearly 30 years. A graduate in Economics from Université Laval, she began her career in 1987 at SOQUIP (Société québécoise d'initiatives pétrolières). In 1997, she joined Gaz Métro (a diversified energy company), as Vice President, Business Development. After holding various positions in the company, she became President and CEO in 2007. Involved with Centraide of Greater Montréal, Ms. Brochu is the Chair of Forces Avenir, which promotes students' involvement in their communities. She is cofounder of "ruelle de l'avenir", a project aimed at encouraging students in the Centre-Sud and Hochelaga neighbourhoods of Montréal to remain in school. She also sits on the Board of Directors of La Fondation Lucie et André Chagnon. Ms. Brochu is a Member of the Order of Canada.

## BOARD & COMMITTEE ATTENDANCE DURING 2015

	REGULAR	SPECIAL	TOTAL
Board	6/6	1/2	7/8
Audit Committee	5/5	–	5/5
Governance Committee	4/4	1/1	5/5
<b>Total Board &amp; Committee Attendance</b>	<b>94%</b>		

## OTHER PUBLIC BOARD DIRECTORSHIPS

### PRESENT BOARDS

Bank of Montreal	2011–present
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### PAST BOARDS (LAST FIVE YEARS)

N/A

## OWNERSHIP AND TOTAL VALUE OF EQUITY

### MARCH 3, 2016

BCE Common Shares	1,250
BCE DSUs	27,560
<b>Value (\$)</b>	<b>1,643,611</b>

### MARCH 5, 2015

BCE Common Shares	1,250
BCE DSUs	22,589
<b>Value (\$)</b>	<b>1,313,529</b>

## SHARE OWNERSHIP REQUIREMENTS - TARGET DATE TO MEET

Five-Year Target	<b>Met (288%)</b>	Ten-Year Target	<b>Met (124%)</b>
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**Robert E. Brown**

Montréal (Québec) Canada

Corporate Director

Since October 2009

Age: 71

Status: Independent

Joined Board: May 2009

Top 4 Areas of Expertise: CEO/Senior Management, Governance, Human Resources/Compensation, Risk Management

2015 Annual Meeting Votes in Favour: 98.1%

Mr. Brown is a corporate director and Chair of Aimia Inc. (formerly Groupe Aeroplan Inc., a loyalty program management company). He was President and CEO of CAE Inc. (a provider of simulation and modelling technologies as well as integrated training services for both civil aviation and defence customers) from 2004 to September 2009. Prior to joining CAE, Mr. Brown was Chair of Air Canada (an airline) during its restructuring from May 2003 to October 2004. Mr. Brown joined Bombardier Inc. (an aerospace, transportation and recreational products company) in 1987 and was responsible for the Bombardier Aerospace sector from 1990 to 1999. He was President and CEO of Bombardier Inc. from 1999 to 2002. Mr. Brown also held various senior positions in federal ministries with economic vocations, including the position of Associate Deputy Minister of the Department of Regional Industrial Expansion. Mr. Brown holds a Bachelor of Science degree from the Royal Military College and attended the Advanced Management Program at the Harvard University Business School.

**BOARD & COMMITTEE ATTENDANCE DURING 2015**

	REGULAR	SPECIAL	TOTAL
Board	6/6	1/2	7/8
Compensation Committee	5/5	1/1	6/6
Governance Committee (Chair)	4/4	1/1	5/5
<b>Total Board &amp; Committee Attendance</b>	<b>95%</b>		

**OTHER PUBLIC BOARD DIRECTORSHIPS**
**PRESENT BOARDS**

Aimia Inc. (Chair)	2005–present
Rio Tinto Limited	2010–present
Rio Tinto plc	2010–present

**PAST BOARDS (LAST FIVE YEARS)**

N/A

**OWNERSHIP AND TOTAL VALUE OF EQUITY**
**MARCH 3, 2016**

BCE Common Shares	34,889
BCE DSUs	17,117
<b>Value (\$)</b>	<b>2,966,942</b>

**MARCH 5, 2015**

BCE Common Shares	31,889
BCE DSUs	14,298
<b>Value (\$)</b>	<b>2,544,904</b>

**SHARE OWNERSHIP REQUIREMENTS - TARGET DATE TO MEET**

Five-Year Target	<b>Met (521%)</b>	Ten-Year Target	<b>Met (223%)</b>
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**George A. Cope**

Toronto (Ontario) Canada

President and CEO

BCE and Bell Canada

Since July 2008

Age: 54

Status: Not Independent

Joined Board: July 2008

Top 4 Areas of Expertise: CEO/Senior Management, Government &amp; Regulatory Affairs, Media/Content, Telecommunications

2015 Annual Meeting Votes in Favour: 99.01%

Mr. Cope is leading the transformation of Canada's largest communications company with a competitive strategy of unparalleled investment in advanced broadband networks, innovative communications services, new media and a better customer experience. Under Mr. Cope's guidance, Bell has moved to the forefront of communications growth services: Wireless, TV, Internet and Media. Recognized as Canada's Outstanding CEO of the Year for 2015, Mr. Cope has earned a reputation as an innovative strategist and builder of high-performance teams. Appointed President and CEO of BCE and Bell Canada in July 2008, he has served in public-company chief executive roles in the industry for almost 30 years. Mr. Cope led the launch of the Bell Let's Talk initiative, the largest-ever corporate commitment to Canadian mental health and now one of the country's most prominent community investment campaigns, and was Chair of United Way Toronto's record-breaking 2013 campaign. A graduate of the Ivey School of Business at Western University (HBA '84), Mr. Cope was named Ivey Business Leader of the Year in 2013. He has been awarded honorary doctorates by his alma mater and the University of Windsor, and the Queen's Diamond Jubilee Medal for his work on Bell Let's Talk. He was appointed a Member of the Order of Canada in 2014.

**BOARD & COMMITTEE ATTENDANCE DURING 2015**

	REGULAR	SPECIAL	TOTAL
Board	6/6	2/2	8/8
<b>Total Board &amp; Committee Attendance</b>	<b>100%</b>		

**OTHER PUBLIC BOARD DIRECTORSHIPS**
**PRESENT BOARDS**

Bank of Montreal	2006–present
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**PAST BOARDS (LAST FIVE YEARS)**

Bell Aliant Inc.	2011–2014
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**OWNERSHIP AND TOTAL VALUE OF EQUITY**
**MARCH 3, 2016**

BCE Common Shares	62,254
BCE DSUs	1,061,574
<b>Value (\$)</b>	<b>64,114,387</b>

**MARCH 5, 2015**

BCE Common Shares	58,592
BCE DSUs	1,012,932
<b>Value (\$)</b>	<b>59,040,972</b>

**SHARE OWNERSHIP REQUIREMENTS - TARGET DATE TO MEET**

Please see the heading *Share ownership requirements* on page 53 under section 9 entitled *Compensation Discussion & Analysis* for more details on Mr. Cope's specific share ownership requirements, which are currently exceeded.





### David F. Denison, FCPA, FCA

Toronto (Ontario) Canada

Corporate Director

Since June 2012

Chartered Professional Accountant

Age: 63

Status: Independent

Joined Board: October 2012

**Top 4 Areas of Expertise:** Accounting & Finance, CEO/Senior Management, Investment Banking/Mergers & Acquisitions, Risk Management

2015 Annual Meeting Votes in Favour: 99.03%

Mr. Denison is a corporate director with extensive experience in the financial services industry. He served as President and CEO of the Canada Pension Plan Investment Board (an investment management organization) from 2005 to 2012. Prior to that, Mr. Denison was President of Fidelity Investments Canada Limited (a financial services provider). He has also held a number of senior positions in the investment banking, asset management and consulting sectors in Canada, the United States and Europe. Mr. Denison serves as Vice-Chair of Sinai Health Systems (a provider of healthcare services). He is also a member of the Investment Board and International Advisory Committee of the Government of Singapore Investment Corporation, the China Investment Corporation International Advisory Council, the World Bank Treasury Expert Advisory Committee and the University of Toronto Investment Advisory Committee. Mr. Denison earned bachelor's degrees in Mathematics and Education from the University of Toronto and is a Fellow of CPA Ontario.

### BOARD & COMMITTEE ATTENDANCE DURING 2015

	REGULAR	SPECIAL	TOTAL
Board	6/6	2/2	8/8
Audit Committee	5/5	–	5/5
Pension Committee (Chair)	4/4	–	4/4
<b>Total Board &amp; Committee Attendance</b>	<b>100%</b>		

### OTHER PUBLIC BOARD DIRECTORSHIPS

#### PRESENT BOARDS

Allison Transmission Holdings, Inc.	2013–present
Hydro One Limited (Chair)	2015–present
Royal Bank of Canada	2012–present

#### PAST BOARDS (LAST FIVE YEARS)

N/A

### OWNERSHIP AND TOTAL VALUE OF EQUITY

#### MARCH 3, 2016

BCE Common Shares	–
BCE DSUs	14,414
<b>Value (\$)</b>	<b>822,319</b>

#### MARCH 5, 2015

BCE Common Shares	–
BCE DSUs	9,683
<b>Value (\$)</b>	<b>533,533</b>

### SHARE OWNERSHIP REQUIREMENTS - TARGET DATE TO MEET

Five-Year Target	<b>Met (144%)</b>	Ten-Year Target	<b>April 1, 2024 (62%)</b>
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### Robert P. Dexter

Halifax (Nova Scotia) Canada

Chair and CEO

Maritime Travel Inc.

Since July 1979

Age: 64

Status: Independent

Joined Board: November 2014

**Top 4 Areas of Expertise:** Governance, Human Resources/Compensation, Retail/Customer, Risk Management

2015 Annual Meeting Votes in Favour: 98.11%

Mr. Dexter is Chair and CEO of Maritime Travel Inc. (an integrated travel company). He holds both a bachelor's degree in Commerce and a bachelor's degree in Law from Dalhousie University and was appointed Queen's Counsel in 1995. Mr. Dexter has over 18 years of experience in the communications sector, having served as a director of Maritime Tel & Tel Limited from 1997 to 1999 prior to joining the Aliant, and later the Bell Aliant boards until October 2014. Mr. Dexter is also a counsel to the law firm Stewart McKelvey.

### BOARD & COMMITTEE ATTENDANCE DURING 2015

	REGULAR	SPECIAL	TOTAL
Board	6/6	2/2	8/8
Audit Committee	4/5	–	4/5
Pension Committee	2/4	–	2/4
<b>Total Board &amp; Committee Attendance</b>	<b>82%</b>		

### OTHER PUBLIC BOARD DIRECTORSHIPS

#### PRESENT BOARDS

Empire Company Limited (and wholly owned subsidiary Sobeys Inc.) (Chair)	1987–present
High Liner Foods Incorporated	1992–present
Wajax Corporation	1988–present

#### PAST BOARDS (LAST FIVE YEARS)

Bell Aliant Inc.	1999–2014
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### OWNERSHIP AND TOTAL VALUE OF EQUITY

#### MARCH 3, 2016

BCE Common Shares	7,526
BCE DSUs	22,273
<b>Value (\$)</b>	<b>1,700,033</b>

#### MARCH 5, 2015

BCE Common Shares	7,526
BCE DSUs	17,544
<b>Value (\$)</b>	<b>1,381,357</b>

### SHARE OWNERSHIP REQUIREMENTS - TARGET DATE TO MEET

Five-Year Target	<b>Met (298%)</b>	Ten-Year Target	<b>Met (128%)</b>
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**Ian Greenberg**  
Montréal (Québec) Canada

**Corporate Director**  
Since July 2013

**Age:** 73

**Status:** Independent

**Joined Board:** July 2013

**Top 4 Areas of Expertise:** CEO/Senior Management, Government & Regulatory Affairs, Human Resources/Compensation, Media/Content

**2015 Annual Meeting Votes in Favour:** 93.39%

Mr. Greenberg is a corporate director and one of four brothers who founded Astral Media Inc. (a media company), which, over its 50-year history, grew from a photographic company into one of Canada's leaders in pay- and specialty-TV, radio, out-of-home advertising and digital media. He was President and CEO of Astral Media Inc. from 1995 until July 2013, during which time the company achieved 16 consecutive years of profitable growth. Born in Montréal, he is a member of the Broadcasting Hall of Fame and a recipient of the prestigious Ted Rogers and Velma Rogers Graham Award for his unique contribution to the Canadian broadcasting system. With his brothers, he also received the Eleanor Roosevelt Humanities Award for their active support of numerous industry and charitable organizations. Mr. Greenberg was a member of the Canadian Council of Chief Executives and a governor of Montréal's Jewish General Hospital.

**BOARD & COMMITTEE ATTENDANCE DURING 2015**

	REGULAR	SPECIAL	TOTAL
Board	6/6	2/2	8/8
Audit Committee	5/5	–	5/5
Compensation Committee	5/5	1/1	6/6
<b>Total Board &amp; Committee Attendance</b>	<b>100%</b>		

**OTHER PUBLIC BOARD DIRECTORSHIPS**

<b>PRESENT BOARDS</b>	
Cineplex Inc.	2010–present
<b>PAST BOARDS (LAST FIVE YEARS)</b>	
Astral Media Inc.	1973–2013

**OWNERSHIP AND TOTAL VALUE OF EQUITY**

<b>MARCH 3, 2016</b>	
BCE Common Shares	10,000
BCE DSUs	9,394
<b>Value (\$)</b>	<b>1,106,428</b>
<b>MARCH 5, 2015</b>	
BCE Common Shares	10,000
BCE DSUs	5,727
<b>Value (\$)</b>	<b>866,558</b>

**SHARE OWNERSHIP REQUIREMENTS - TARGET DATE TO MEET**

Five-Year Target	<b>Met (194%)</b>	Ten-Year Target	<b>April 1, 2024 (83%)</b>
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**Katherine Lee**  
Toronto (Ontario) Canada

**Corporate Director**  
Since February 2015

**Chartered Professional Accountant**

**Age:** 52

**Status:** Independent

**Joined Board:** August 2015

**Top 4 Areas of Expertise:** Accounting & Finance, CEO/Senior Management, Investment Banking/Mergers & Acquisitions, Risk Management

**2015 Annual Meeting Votes in Favour:** N/A

Ms. Lee is a corporate director and served as President and CEO of GE Capital Canada (a leading global provider of financial and fleet management solutions to mid-market companies operating in a broad range of economic sectors). Prior to this role, Ms. Lee served as CEO of GE Capital Real Estate in Canada from 2002 to 2010, building it to a full debt and equity operating company. Ms. Lee joined GE in 1994, where she held a number of positions, including Director, Mergers & Acquisitions for GE Capital's Pension Fund Advisory Services based in San Francisco, and Managing Director of GE Capital Real Estate Korea based in Seoul and Tokyo. Ms. Lee earned a Bachelor of Commerce degree from the University of Toronto. She is a Chartered Professional Accountant and Chartered Accountant. She is active in the community, championing women's networks and Asia-Pacific forums.

**BOARD & COMMITTEE ATTENDANCE DURING 2015<sup>(1)</sup>**

	REGULAR	SPECIAL	TOTAL
Board	3/3	1/1	4/4
Audit Committee	1/1	–	1/1
Pension Committee	1/1	–	1/1
<b>Total Board &amp; Committee Attendance</b>	<b>100%</b>		

**OTHER PUBLIC BOARD DIRECTORSHIPS**

<b>PRESENT BOARDS</b>	
Colliers International Group Inc.	2015–present
<b>PAST BOARDS (LAST FIVE YEARS)</b>	
N/A	

**OWNERSHIP AND TOTAL VALUE OF EQUITY**

<b>MARCH 3, 2016</b>	
BCE Common Shares	1,000
BCE DSUs	1,537
<b>Value (\$)</b>	<b>144,736</b>
<b>MARCH 5, 2015</b>	
BCE Common Shares	N/A
BCE DSUs	N/A
<b>Value (\$)</b>	<b>N/A</b>

**SHARE OWNERSHIP REQUIREMENTS - TARGET DATE TO MEET**

Five-Year Target	<b>August 6, 2020 (25%)</b>	Ten-Year Target	<b>August 6, 2025 (11%)</b>
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(1) Ms. Lee was appointed to the Board and to the Audit and Pension Committees on August 6, 2015.



### Monique F. Leroux, FCPA, FCA<sup>(1)(2)</sup>

Montréal (Québec) Canada

Chair, President and CEO

Desjardins Group

Since March 2008

Chartered Professional Accountant

Age: 61

Status: Independent

New Nominee

**Top 4 Areas of Expertise:** Accounting & Finance, CEO/Senior Management, Governance, Retail/Customer

2015 Annual Meeting Votes in Favour: N/A

Ms. Leroux is the Chair, President and CEO of Desjardins Group (the leading cooperative financial group in Canada), a position she will occupy until April 9, 2016. Ms. Leroux is a member of the Canadian Council of Chief Executives, the Founders' Council of the Quebec Global 100 Network, the Board of Governors of Finance Montréal, the Canadian Prime Minister's Advisory Committee on the Public Service and the Catalyst Canada Advisory Board. Ms. Leroux is also the President of the International Co-operative Alliance (ICA) and a member of the Board of Directors of the European Association of Co-operative Banks. She is also the founder and Chair of the International Summit of Cooperatives. Before joining Desjardins Group in 2001, Ms. Leroux held senior executive positions at Quebecor, RBC and Ernst & Young. Ms. Leroux has received a number of honours, including being named a Member of the Order of Canada, an Officer of the Ordre national du Québec and a Chevalier of the Légion d'Honneur (France). She is also the recipient of the Woodrow Wilson Award (United States), the Outstanding Achievement Award from the Quebec CPA Order and the Institute of Corporate Directors Fellowship Award. She holds honorary doctorates from eight Canadian universities. Ms. Leroux also lends her time and support to a host of not-for-profit organizations.

### BOARD & COMMITTEE ATTENDANCE DURING 2015

	REGULAR	SPECIAL	TOTAL
Board	N/A	N/A	N/A
<b>Total Board &amp; Committee Attendance</b>	<b>N/A</b>		

### OTHER PUBLIC BOARD DIRECTORSHIPS

<b>PRESENT BOARDS</b>		
Alimentation Couche-Tard Inc.		2015–present
Crédit Industriel et Commercial		2013–present
Michelin Group		2015–present

### PAST BOARDS (LAST FIVE YEARS)

N/A

### OWNERSHIP AND TOTAL VALUE OF EQUITY

<b>MARCH 3, 2016</b>		
BCE Common Shares		958
BCE DSUs		–
<b>Value (\$)</b>		<b>54,654</b>

<b>MARCH 5, 2015</b>		
BCE Common Shares		N/A
BCE DSUs		N/A
<b>Value (\$)</b>		<b>N/A</b>

### SHARE OWNERSHIP REQUIREMENTS - TARGET DATE TO MEET

Five-Year Target	<b>N/A</b>	Ten-Year Target	<b>N/A</b>
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- (1) Ms. Leroux will retire as Chair, President and CEO of Desjardins Group on April 9, 2016, prior to the meeting.
- (2) Ms. Leroux was a director of Quebecor World Inc. from 2004 until 2007. On January 21, 2008, Quebecor World Inc. requested creditor protection under the Companies' Creditors Arrangement Act.



### Gordon M. Nixon

Toronto (Ontario) Canada

Corporate Director

Since September 2014

Age: 59

Status: Independent

Joined Board: November 2014

**Top 4 Areas of Expertise:** CEO/Senior Management, Governance, Human Resources/Compensation, Investment Banking/Mergers & Acquisitions

2015 Annual Meeting Votes in Favour: 99.2%

Mr. Nixon is a corporate director and from August 2001 to August 2014 was President and CEO of Royal Bank of Canada (a chartered bank). He first joined RBC Dominion Securities Inc. (an investment banking firm) in 1979, where he held a number of operating positions, serving as CEO from December 1999 to April 2001. Mr. Nixon is Chair of MaRS, a Toronto-based network of partners that helps entrepreneurs launch and grow innovative companies. He also chairs the Queen's University Capital Campaign and is a trustee with Art Gallery of Ontario. In 2012, he chaired the Ontario Premier's Jobs and Prosperity Council. Mr. Nixon earned a Bachelor of Commerce (Honours) degree from Queen's University and holds Honorary Doctorates of Laws from Queen's University and Dalhousie University. He is a Member of the Order of Canada and the Order of Ontario.

### BOARD & COMMITTEE ATTENDANCE DURING 2015

	REGULAR	SPECIAL	TOTAL
Board	6/6	2/2	8/8
Compensation Committee	5/5	1/1	6/6
Governance Committee	4/4	1/1	5/5
<b>Total Board &amp; Committee Attendance</b>	<b>100%</b>		

### OTHER PUBLIC BOARD DIRECTORSHIPS

<b>PRESENT BOARDS</b>		
BlackRock, Inc.		2015–present
George Weston Limited		2014–present

### PAST BOARDS (LAST FIVE YEARS)

Royal Bank of Canada		2001–2014
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### OWNERSHIP AND TOTAL VALUE OF EQUITY

<b>MARCH 3, 2016</b>		
BCE Common Shares		20,000
BCE DSUs		4,522
<b>Value (\$)</b>		<b>1,398,980</b>

<b>MARCH 5, 2015</b>		
BCE Common Shares		20,000
BCE DSUs		606
<b>Value (\$)</b>		<b>1,135,391</b>

### SHARE OWNERSHIP REQUIREMENTS - TARGET DATE TO MEET

Five-Year Target	<b>Met (245%)</b>	Ten-Year Target	<b>Met (105%)</b>
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### Calin Rovinescu

Montréal (Québec) Canada

President and CEO

Air Canada

Since April 2009

Age: 60

Status: Independent

New Nominee

**Top 4 Areas of Expertise:** CEO/Senior Management, Human Resources/Compensation, Investment Banking/Mergers & Acquisitions, Retail/Customer

2015 Annual Meeting Votes in Favour: N/A

Mr. Rovinescu is President and CEO of Air Canada (an airline) since April 2009. Mr. Rovinescu was the Executive Vice-President, Corporate Development and Strategy of Air Canada from 2000 to 2004, and during the airline's restructuring, he also held the position of Chief Restructuring Officer. From 2004 to 2009, Mr. Rovinescu was a Co-founder and Principal of Genuity Capital Markets, an independent investment bank. From 1979 to 2000, Mr. Rovinescu was a lawyer and then a partner with the Canadian law firm Stikeman Elliott LLP, and was the Managing Partner of its Montréal office from 1996 to 2000. Mr. Rovinescu is Chair of the Star Alliance Chief Executive Board and a member of the IATA Board of Governors. Mr. Rovinescu was named the 14th Chancellor of the University of Ottawa in November 2015. He also serves on the Board of Directors of several private and non-profit corporations. Mr. Rovinescu holds Bachelor of Law degrees from Université de Montréal and the University of Ottawa.



### Robert C. Simmonds

Toronto (Ontario) Canada

Chair

Lenbrook Corporation

Since April 2002

Age: 62

Status: Independent

Joined Board: May 2011

**Top 4 Areas of Expertise:** Governance, Government & Regulatory Affairs, Technology, Telecommunications

2015 Annual Meeting Votes in Favour: 99.42%

Mr. Simmonds has been Chair of Lenbrook Corporation (a national distributor of electronics components and radio products) since 2002, having been a founder and director of the company since 1977. He is a seasoned Canadian telecommunications executive who has served in public company roles from 1994 to 2006. From 1985 until 2000, he served as Chair of Clearnet Communications Inc., a Canadian wireless competitor that launched two all-new digital mobile networks. Internationally regarded as a leading wireless communications engineer and mobile spectrum authority, Mr. Simmonds has played a key role in the development of Canada's mobile spectrum policies for more than 30 years. He is Chair of the Mobile and Personal Communications Committee of the Radio Advisory Board of Canada, a body that provides unbiased and technically expert advice to the federal Department of Industry, and is a past Chair of the Canadian Wireless Telecommunications Association (CWTA). A laureate and member of Canada's Telecommunications Hall of Fame and recipient of the Engineering Medal for Entrepreneurship from Professional Engineers Ontario, Mr. Simmonds earned his B.A.Sc. in Engineering Science (Electrical) at the University of Toronto. In October 2013, Mr. Simmonds became a Fellow of the Wireless World Research Forum (an organization dedicated to long-term research in the wireless industry) in recognition of his contribution to the industry.

### BOARD & COMMITTEE ATTENDANCE DURING 2015

	REGULAR	SPECIAL	TOTAL
Board	N/A	N/A	N/A
<b>Total Board &amp; Committee Attendance</b>		N/A	

### OTHER PUBLIC BOARD DIRECTORSHIPS

PRESENT BOARDS	
Air Canada	2009–present
Acasta Enterprises Inc. (Chair)	2015–present

### PAST BOARDS (LAST FIVE YEARS)

N/A

### OWNERSHIP AND TOTAL VALUE OF EQUITY

MARCH 3, 2016		
BCE Common Shares		4,047
BCE DSUs		–
<b>Value (\$)</b>		<b>230,881</b>
MARCH 5, 2015		
BCE Common Shares		N/A
BCE DSUs		N/A
<b>Value (\$)</b>		<b>N/A</b>

### SHARE OWNERSHIP REQUIREMENTS - TARGET DATE TO MEET

Five-Year Target	N/A	Ten-Year Target	N/A
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### BOARD & COMMITTEE ATTENDANCE DURING 2015

	REGULAR	SPECIAL	TOTAL
Board	6/6	2/2	8/8
Audit Committee	5/5	–	5/5
Governance Committee	4/4	1/1	5/5
<b>Total Board &amp; Committee Attendance</b>		100%	

### OTHER PUBLIC BOARD DIRECTORSHIPS

PRESENT BOARDS	
N/A	

### PAST BOARDS (LAST FIVE YEARS)

N/A

### OWNERSHIP AND TOTAL VALUE OF EQUITY

MARCH 3, 2016		
BCE Common Shares		104,000
BCE DSUs		20,889
<b>Value (\$)</b>		<b>7,124,917</b>
MARCH 5, 2015		
BCE Common Shares		104,000
BCE DSUs		16,223
<b>Value (\$)</b>		<b>6,624,287</b>

### SHARE OWNERSHIP REQUIREMENTS - TARGET DATE TO MEET

Five-Year Target	Met (1,250%)	Ten-Year Target	Met (536%)
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**Paul R. Weiss, FCPA, FCA<sup>(1)</sup>**  
Niagara-on-the-Lake (Ontario) Canada

**Corporate Director**  
Since April 2008  
**Chartered Professional Accountant**

**Age:** 68  
**Status:** Independent  
**Joined Board:** May 2009

**Top 4 Areas of Expertise:** Accounting & Finance,  
Governance, Investment Banking/Mergers & Acquisitions,  
Risk Management

**2015 Annual Meeting Votes in Favour:** 99.07%

Mr. Weiss has been a corporate director since 2008. He was a director and audit committee member of The Empire Life Insurance Company until May 2014 and a director and audit committee member of ING Bank of Canada until November 2012. He is a director and past Chair of Soulpepper Theatre Company and past Chair of Toronto Rehab Foundation. For over 40 years, until his retirement in 2008, Mr. Weiss was with KPMG LLP (an accounting firm). He served as Managing Partner of the Canadian Audit Practice, a member of KPMG Canada's management committee and a member of the International Global Audit Steering Group. Mr. Weiss holds a Bachelor of Commerce degree from Carleton University. He is a Chartered Professional Accountant and a Fellow of CPA Ontario.

#### BOARD & COMMITTEE ATTENDANCE DURING 2015

	REGULAR	SPECIAL	TOTAL
Board	6/6	2/2	8/8
Audit Committee (Chair)	5/5	–	5/5
Pension Committee	4/4	–	4/4
<b>Total Board &amp; Committee Attendance</b>	<b>100%</b>		

#### OTHER PUBLIC BOARD DIRECTORSHIPS

##### PRESENT BOARDS

Choice Properties REIT	2013–present
Torstar Corporation	2009–present

##### PAST BOARDS (LAST FIVE YEARS)

N/A

#### OWNERSHIP AND TOTAL VALUE OF EQUITY

##### MARCH 3, 2016

BCE Common Shares	–
BCE DSUs	32,354
<b>Value (\$)</b>	<b>1,845,796</b>

##### MARCH 5, 2015

BCE Common Shares	–
BCE DSUs	28,610
<b>Value (\$)</b>	<b>1,576,411</b>

#### SHARE OWNERSHIP REQUIREMENTS - TARGET DATE TO MEET

Five-Year Target	<b>Met (324%)</b>	Ten-Year Target	<b>Met (139%)</b>
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(1) Designated audit committee financial expert.

# 5 Director Compensation

This section provides information pertaining to the compensation, share ownership and share ownership requirements of our non-management directors.

Our compensation program for non-management directors has the following objectives:

- to ensure that the Corporation attracts and retains highly qualified, committed and talented members of the Board with an extensive and relevant breadth of experience
- to align the interests of directors with those of our shareholders.

The Board sets the compensation of non-management directors based on recommendations from the Governance Committee.

The Governance Committee regularly reviews the compensation of non-management directors and recommends to the Board such adjustments as it considers appropriate and necessary to recognize the workload, time commitment and responsibility of the Board and committee members and to remain competitive with director compensation trends in Canada. In 2015, the compensation of non-management directors remained the same as in 2014. Any director who is also an employee of the Corporation or any of its subsidiaries does not receive any compensation as a director.

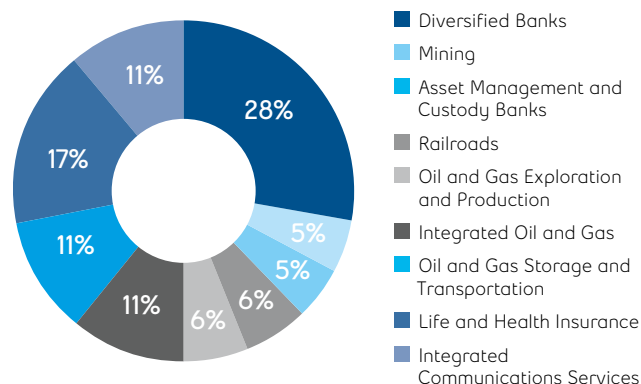
Consistent with the risks and responsibilities of being an effective director, our aim is to ensure that our Board membership is of the highest quality and has a sufficient range of skills, expertise and experience

## 5.1 Comparator group

The comparator group used to benchmark the compensation of non-management directors and the share ownership requirements for 2015 is as follows:

The comparator group is composed of Canadian companies with a scope, complexity and size comparable to BCE, taking into account certain criteria, including market capitalization and revenue. The following table provides a breakdown of the comparator group by industry.

COMPANY NAME	PRIMARY INDUSTRY
Bank of Montreal	Diversified Banks
Barrick Gold Corporation	Mining
Brookfield Asset Management Inc.	Asset Management and Custody Banks
Canadian Imperial Bank of Commerce	Diversified Banks
Canadian National Railway Company	Railroads
Canadian Natural Resources Limited	Oil and Gas Exploration and Production
Cenovus Energy Inc.	Integrated Oil and Gas
Enbridge Inc.	Oil and Gas Storage and Transportation
Manulife Financial Corporation	Life and Health Insurance
Power Corporation of Canada	Life and Health Insurance
Rogers Communications Inc.	Integrated Communications Services
Royal Bank of Canada	Diversified Banks
Suncor Energy Inc.	Integrated Oil and Gas
Sun Life Financial Inc.	Life and Health Insurance
TELUS Corporation	Integrated Communications Services
The Bank of Nova Scotia	Diversified Banks
The Toronto-Dominion Bank	Diversified Banks
TransCanada Corporation	Oil and Gas Storage and Transportation



Of the companies in the non-management directors' compensation comparator group, approximately 56% are also included in the executives' compensation comparator group. Both comparator groups represent a sample of large Canadian companies. In developing the executives' compensation comparator group, efforts were made to ensure that there was approximately equal representation of industries in the group, which was not a selection criteria when developing the non-management directors' compensation comparator group.



## 5.2 Compensation levels

Non-management directors receive an all-inclusive annual flat fee (in lieu of retainers and attendance fees), in line with market best practices. The following table shows the compensation levels for non-management directors:

COMPENSATION (\$) <sup>(1)</sup>	LEVEL
190,000	Directors who serve on one committee of the Board
205,000	Directors who serve on two or more committees of the Board
225,000	Chair of the Governance Committee and Chair of the Pension Committee
250,000	Chair of the Audit Committee and Chair of the Compensation Committee
425,000	Chair of the Board

(1) Non-management directors do not receive additional retainers or attendance fees in respect of their service as directors and as members of any of the Board's standing committees. Directors are, however, reimbursed for transportation and other expenses incurred for attendance at Board and committee meetings.

## 5.3 Share ownership requirements

The Board establishes guidelines for the share ownership requirement of non-management directors. The following share ownership requirements apply to non-management directors, to be held either in BCE common shares and/or DSUs.

OWNERSHIP REQUIREMENT FOR DIRECTORS	VALUE (\$)	TIME TO MEET REQUIREMENT
Initial requirement of three times the base annual flat fee	570,000	Within five years of being appointed to the Board
Additional requirement of seven times the base annual flat fee	1,330,000	Within ten years of being appointed to the Board

OWNERSHIP REQUIREMENT FOR THE CHAIR OF THE BOARD	VALUE (\$)	TIME TO MEET REQUIREMENT
Initial requirement of three times the Chair's annual flat fee	1,275,000	Within five years of being appointed Chair of the Board
Additional requirement of seven times the Chair's annual flat fee	2,975,000	Within ten years of being appointed Chair of the Board

The following table lists the number of BCE common shares and DSUs of BCE held by each current non-management director as of March 3, 2016, with the corresponding dollar value as of such date, and highlights where each non-management director stands in terms of fulfillment of the share ownership guidelines as of that date:

NAME	NUMBER OF COMMON SHARES	NUMBER OF DSUs	TOTAL NUMBER OF COMMON SHARES & DSUs	TOTAL VALUE <sup>(1)</sup> (\$)	5-YEAR SHARE OWNERSHIP REQUIREMENT (\$)	TARGET DATE TO MEET 5-YEAR REQUIREMENT	10-YEAR SHARE OWNERSHIP REQUIREMENT (\$)	TARGET DATE TO MEET 10-YEAR REQUIREMENT
B.K. Allen	22,500	16,783	39,283	2,241,095	570,000	Met (393%)	1,330,000	Met (169%)
R.A. Brenneman	123,804	59,075	182,879	10,433,247	570,000	Met (1,830%)	1,330,000	Met (784%)
S. Brochu	1,250	27,560	28,810	1,643,611	570,000	Met (288%)	1,330,000	Met (124%)
R.E. Brown	34,889	17,117	52,006	2,966,942	570,000	Met (521%)	1,330,000	Met (223%)
D.F. Denison	–	14,414	14,414	822,319	570,000	Met (144%)	1,330,000	April 1, 2024
R.P. Dexter	7,526	22,273	29,799	1,700,033	570,000	Met (298%)	1,330,000	Met (128%)
I. Greenberg	10,000	9,394	19,394	1,106,428	570,000	Met (194%)	1,330,000	April 1, 2024
K. Lee <sup>(2)</sup>	1,000	1,537	2,537	144,736	570,000	August 6, 2020	1,330,000	August 6, 2025
G.M. Nixon	20,000	4,522	24,522	1,398,980	570,000	Met (245%)	1,330,000	Met (105%)
T.C. O'Neill	2,883	68,283	71,166	4,060,020	1,275,000	Met (318%)	2,975,000	Met (136%)
R.C. Simmonds	104,000	20,889	124,889	7,124,917	570,000	Met (1,250%)	1,330,000	Met (536%)
P.R. Weiss	–	32,354	32,354	1,845,796	570,000	Met (324%)	1,330,000	Met (139%)

(1) The Total Value is determined by multiplying the number of common shares and DSUs of BCE held by each director as of March 3, 2016, by the closing price of BCE's common shares on the Toronto Stock Exchange as of the close of business on such date, being \$57.05.

(2) Ms. Lee was appointed to the Board and to the Audit and Pension Committees on August 6, 2015.

**In 2014, the share ownership requirements were increased significantly, from three times to seven times the annual base fee, placing BCE at the top of the comparator group**

Directors who did not meet the increased share ownership requirements that became effective on April 1, 2014 have five and ten years from that date to meet the initial and additional requirements, respectively. Until the initial minimum share ownership level is attained, 100% of the compensation is paid mandatorily in the form of DSUs. Once a director attains the initial minimum share ownership level, at least 50% of the compensation is paid mandatorily in DSUs, with the remaining portion to be paid in cash or DSUs, at the discretion of the director.

## 5.4 Directors' share unit plan

Under the share unit plan for non-employee directors (1997) (Directors' Share Unit Plan), each non-management director receives at least 50% of his or her annual fees in DSUs and may elect to receive his or her remaining annual fees in the form of DSUs. One DSU is equal in value to one BCE common share.

Each director has an account where DSUs are credited (at the end of each quarter) and all DSUs must be held until the director leaves the Board. The number of DSUs credited to each director's account is calculated by dividing the amount of the quarterly fee payment by the common share price on the day the credit is made. DSUs vest at the time of grant.

Holders of DSUs are credited additional units that are equal to the dividends declared on the Corporation's common shares. Additional DSUs are credited to each non-management director's account on each dividend payment date. The number of DSUs is calculated using the same rate as the dividends paid on the common shares.

When a director leaves the Board, the Corporation buys the same number of BCE common shares on the open market as the number of DSUs the director holds in the Directors' Share Unit Plan, after deducting appropriate taxes. These shares are then delivered to the former director. All administration costs as well as any brokerage fees associated with the purchase and registration of common shares are paid by BCE.

**Directors are required to be paid entirely in the form of DSUs until they attain their initial share ownership requirement**

## 5.5 Compensation of directors of subsidiary boards of directors

The directors' annual flat fee also compensates non-management directors for their services as directors of subsidiaries whose common shares or units are not publicly traded, including Bell Canada. The directors of the Corporation who sit on boards of directors of subsidiaries whose common shares or units are publicly traded may receive compensation from such publicly traded subsidiaries.

## 5.6 Compensation table

The following table provides details of the compensation paid to the non-management directors of the Corporation who served as directors during the year ended on December 31, 2015.

NAME	CURRENT COMMITTEE MEMBERSHIPS	FEES EARNED (\$)	ALL OTHER COMPENSATION (\$)	TOTAL COMPENSATION	ALLOCATION OF TOTAL COMPENSATION	
					CASH (\$)	IN DSUs (\$)
B.K. Allen	Compensation, Governance	205,000	–	205,000	102,500	102,500
R.A. Brenneman	Compensation (Chair), Pension	250,000	–	250,000	125,000	125,000
S. Brochu	Audit, Governance	205,000	–	205,000	–	205,000
R.E. Brown	Compensation, Governance (Chair)	225,000	–	225,000	112,500	112,500
D.F. Denison	Audit, Pension (Chair)	225,000	–	225,000	–	225,000
R.P. Dexter	Audit, Pension	205,000	–	205,000	–	205,000
I. Greenberg	Audit, Compensation	205,000	–	205,000	25,625	179,375
K. Lee <sup>(1)</sup>	Audit, Pension	82,446	–	82,446	–	82,446
G.M. Nixon	Compensation, Governance	205,000	–	205,000	–	205,000
T.C. O'Neill	Chair of the Board	425,000	–	425,000	–	425,000
R.C. Simmonds	Audit, Governance	205,000	–	205,000	–	205,000
P.R. Weiss	Audit (Chair), Pension	250,000	–	250,000	125,000	125,000
RETIRED DIRECTOR						
C. Taylor <sup>(2)</sup>	N/A	140,938	–	140,938	70,469	70,469

(1) Ms. Lee was appointed to the Board and to the Audit and Pension Committees on August 6, 2015.

(2) Ms. Taylor resigned from the Board and the Governance and Pension Committees effective September 7, 2015.

## 5.7 Share-based awards

The following table includes details of outstanding DSUs for non-management directors of the Corporation who served on the Board during the year ended on December 31, 2015, including DSUs granted during 2015.

NAME	SHARE-BASED AWARDS (DSUs) – VALUE VESTED DURING THE YEAR					
	OUTSTANDING DSUs AS OF DEC. 31, 2014	DIRECTOR'S FEES PAID IN DSUs IN 2015		DIVIDEND-LIKE CREDIT IN THE FORM OF DSUs AWARDED IN 2015		OUTSTANDING DSUs AS OF DEC. 31, 2015
	(# OF DSUs)	(# OF DSUs)	(\$)	(# OF DSUs)	(\$)	(# OF DSUs)
B.K. Allen	14,008	1,909	102,500	675	37,233	16,592
R.A. Brenneman	53,515	2,328	125,000	2,546	140,596	58,389
S. Brochu	22,350	3,819	205,000	1,080	59,659	27,249
R.E. Brown	14,145	2,096	112,500	682	37,653	16,923
D.F. Denison	9,588	4,191	225,000	478	26,437	14,257
R.P. Dexter	17,358	3,819	205,000	846	46,651	22,023
I. Greenberg	5,675	3,341	179,375	279	15,465	9,295
K. Lee <sup>(1)</sup>	–	1,530	82,446	–	–	1,530
G.M. Nixon	606	3,819	205,000	55	3,074	4,480
T.C. O'Neill	56,852	7,917	425,000	2,737	151,164	67,506
R.C. Simmonds	16,054	3,819	205,000	782	43,210	20,655
P.R. Weiss	28,300	2,328	125,000	1,354	74,714	31,982
RETIRED DIRECTOR						
C. Taylor <sup>(2)</sup>	10,337	1,319	70,469	505	27,874	–

(1) Ms. Lee was appointed to the Board and to the Audit and Pension Committees on August 6, 2015.

(2) Ms. Taylor resigned from the Board and the Governance and Pension Committees effective September 7, 2015.

# 6 Corporate Governance Practices

This section provides information pertaining to our Board, the committees of our Board, our shareholder engagement and our ethical values and policies.

**BCE's Board and management believe that strong corporate governance practices contribute to superior results in creating and maintaining shareholder value. That is why we continually seek to strengthen our leadership in corporate governance and ethical business conduct by adopting best practices and providing full transparency and accountability to our stakeholders**

BCE's common shares are listed on the Toronto Stock Exchange and the New York Stock Exchange (NYSE). Our practices described in this section comply with the Canadian Securities Administrators' (CSA) corporate governance guidelines as well as the CSA's rules relating to audit committees and certification of financial information. Since the Corporation has securities registered in the United States, we are subject to, and comply with, the provisions of the *Sarbanes-Oxley Act* and related rules and regulations of the U.S. Securities and Exchange

Commission (SEC). In addition, since the Corporation's common shares are listed on the NYSE, we follow certain NYSE corporate governance rules applicable to foreign private issuers such as BCE. We comply with such mandatory NYSE governance rules and voluntarily comply in all material respects with all other NYSE governance rules, except as summarized under "Corporate Governance Practices" in the governance section of our website at [BCE.ca](http://BCE.ca), under the heading *Difference between BCE practices and NYSE*.

## 6.1 Board of directors

The Board has overall responsibility for the supervision of the management of BCE's business and affairs. In exercising this responsibility, the Board must act in accordance with a number of rules and standards, including:

- the *Canada Business Corporations Act*
- the *Bell Canada Act*
- other laws that apply to telecommunications and broadcasting companies
- laws of general application
- BCE's articles and by-laws
- BCE's administrative resolution and the written charters of the Board and each of its committees
- BCE's Code of Business Conduct, Complaint Procedures for Accounting and Auditing Matters and other internal policies.

**At each regular meeting and special meeting, time is set aside for the directors to meet without management, that is, with only the independent directors**

In 2015, the Board held six regular meetings and two special meetings. During 2015, each private session of the Board was chaired by Mr. T.C. O'Neill, Chair of the Board of BCE.

## Role of the Board of directors

The Board is responsible for the supervision of the management of the business and affairs of the Corporation. In furtherance of its purpose, the Board assumes the duties and responsibilities described in its written charter, which is reviewed annually by the Governance Committee and has been approved by the Board. The Board's charter is incorporated by reference into this circular and is available on our website at [BCE.ca](http://BCE.ca), on SEDAR at [sedar.com](http://sedar.com) and on EDGAR at [sec.gov](http://sec.gov). In addition, shareholders may promptly obtain a free copy of the Board's charter by contacting the Corporate Secretary's Office at the coordinates set out in section 12.4.

The Board fulfills its duties and responsibilities directly and through four standing committees. Highlighted below is a discussion of some key aspects of the role of the Board, notably with respect to strategic planning, succession planning and risk oversight.

### STRATEGIC PLANNING

Each May, our executive leadership team reviews a current mid-term strategic view for each business unit, enabling a company-wide perspective on key opportunities and risks, and providing the foundation

for our long-term capital planning. A review of the key drivers of value for the Corporation over the mid- and long-term is also conducted. This mid- and long-term strategic planning, as well as re-confirmation of our strategic imperatives, is reviewed in August by the Board. Each December, the Board holds a day-long session to review and approve our strategic plan which takes into account, among other things, the opportunities and risks of the business units for the upcoming year. At that meeting, the Board reviews and approves the corporate financial objectives and operating plan of each business unit, including the significant capital and operating allocations. As well, the Board frequently discusses aspects of the strategy and frequently reviews and assesses the implementation of our strategic imperatives.

**Reviewing key aspects of corporate initiatives as well as mid- and long-term strategic planning is one of the Board key roles**

## SUCCESSION PLANNING

A critical responsibility of the Compensation Committee is to ensure that a comprehensive succession plan is in place for the Corporation's most senior executive leaders. To achieve this, the Compensation Committee meets annually with the President and CEO to review and update the succession plan for all executive officers, including the President and CEO position.

The plan identifies potential successors for each executive and highlights any personal development experiences required for each candidate to be fully prepared to take on the position. In addition, if appropriate, the plan identifies any candidates who could assume critical leadership roles in the short term should unexpected events leave such roles vacant earlier than expected.

### Effective succession planning has long been a focus of the Board

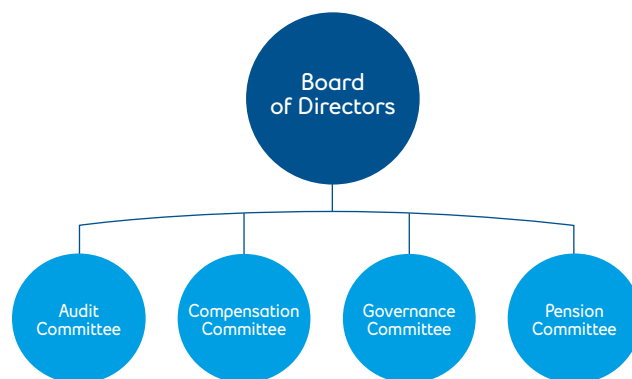
#### The Compensation Committee reviews the succession planning process and results for executive management annually

The executive succession plan is fully integrated with the Corporation's overall succession planning process, which covers all key management positions and ensures a strong pipeline of talent is being developed at all levels in the organization. As such, the plan that is presented to the Compensation Committee is the culmination of an extensive process performed within each business unit and function and integrated at the cross-company level. This includes the identification of key talent, the roles they may be able to assume in the future, and their development plan to prepare for these roles. This may include development moves to other positions, internal or external courses, and on-the-job mentoring. If no strong internal succession candidates are identified, an external search may be launched. Twice a year, all members of the senior management team are reviewed by the President and CEO and his direct reports in order to provide an integrated and balanced view of talent across the Corporation, and to ensure development plans are on track.

In addition to the regular annual review, key executive talent and succession plans are discussed by the Compensation Committee throughout the year, including, for example, as part of the performance reviews used to determine executive compensation.

## RISK OVERSIGHT

At BCE, the full Board is entrusted with the responsibility for identifying and overseeing the principal risks to which our business is exposed and seeking to ensure there are processes in place to effectively identify, monitor and manage them. These processes seek to mitigate rather than eliminate risk. A risk is the possibility that an event might happen in the future that could have a negative effect on our financial position, financial performance, cash flows, business or reputation. The Board delegates responsibility for the execution of certain elements of the risk oversight program to Board committees in order to ensure that they are treated with appropriate expertise, attention and diligence, with reporting to the Board in the ordinary course. The Board retains overall responsibility for, as well as direct oversight of, other risks or elements thereof, such as those relating to our regulatory environment, competitive environment, customer experience, technology/infrastructure transformation, operational performance and vendor oversight.



Risk information is reviewed by the Board or the relevant committee throughout the year, and business leaders present regular updates on the execution of business strategies, risks and mitigation activities.

- the Audit Committee is responsible for overseeing financial reporting and disclosure as well as overseeing that appropriate risk management processes are in place across the organization. As part of its risk management activities, the Audit Committee reviews the organization's risk reports and ensures that responsibility for each principal risk is formally assigned to a specific committee or the full Board, as appropriate. The Audit Committee also regularly considers risks relating to financial reporting, legal proceedings, performance of critical infrastructure, information, cyber and physical security, journalistic independence, privacy and records management, business continuity and the environment
- the Compensation Committee oversees risks relating to compensation, succession planning and health and safety practices
- the Governance Committee assists the Board in developing and implementing BCE's corporate governance guidelines and determining the composition of the Board and its committees. The Governance Committee also oversees matters such as the organization's policies concerning business conduct, ethics and public disclosure of material information
- the Pension Committee has oversight responsibility for risks associated with the pension fund.

## RISK MANAGEMENT CULTURE

There is a strong culture of risk management at BCE that is actively promoted by the Board and the President and CEO at all levels within the organization. It has become a part of how the Corporation operates on a day-to-day basis and is woven into its structure and operating principles, guiding the implementation of the organization's strategic imperatives.

**We have robust processes in place to enable the Board to identify and monitor the significant risks to which our business is exposed**

The President and CEO, selected by the Board, has set his strategic focus through the establishment of six strategic imperatives and focuses risk management around the factors that could impact the achievement of those strategic imperatives. While the constant state of change in the economic environment and the industry creates challenges to be managed, the clarity around strategic objectives, performance expectations, risk management and integrity in execution ensures discipline and balance in all aspects of our business.

## RISK MANAGEMENT FRAMEWORK

While the Board is responsible for BCE's risk oversight program, operational business units are central to the proactive identification and management of risk. They are supported by a range of corporate support functions that provide independent expertise to reinforce implementation of risk management approaches in collaboration with the operational business units. The Internal Audit function provides a further element of expertise and assurance, working to provide insight and support to the operational business units and corporate support functions, while also providing the Audit Committee with an independent perspective on the state of risk and control within the organization. Collectively, these elements can be thought of as a "Three Lines of Defence" approach to risk management that is aligned with industry best practices and is endorsed by the Institute of Internal Auditors.



## First Line of Defence – Operational Management

The first line refers to management within our operational business segments (Bell Wireless, Bell Wireline, Bell Media), who are expected to understand their operations in great detail and the financial results that underpin them. There are regular reviews of operating performance involving the organization's executive and senior management. The discipline and precision associated with this process, coupled with the alignment and focus around performance goals, creates a high degree of accountability and transparency in support of our risk management practices.

As risks emerge in the business environment they are discussed in a number of regular forums to share details and explore their relevance across the organization. Executive and senior management are integral to these activities in driving the identification, assessment, mitigation and reporting of risks at all levels. Formal risk reporting occurs through strategic planning sessions, management presentations to the Board and formal enterprise risk reporting, which is shared with the Board and the Audit Committee during the year.

Management is also responsible for maintaining effective internal controls and for executing risk and control procedures on a day-to-day basis. Each operational business unit develops its own operating controls and procedures that fit the needs of its unique environment.

## Second Line of Defence – Corporate Support Functions

BCE is a very large enterprise with approximately 50,000 employees, multiple business units and a diverse portfolio of risks that is constantly evolving based on internal and external factors. In a large organization, it is common to manage certain functions centrally for efficiency, scale and consistency. While the first line of defence is often central to identification and management of business risks, in many instances, operational management works both collaboratively with, and also relies on, the corporate functions that make up the second line of defence for support in these areas. These corporate functions include Finance, Corporate Security and Corporate Risk Management, as well as others such as Legal and Regulatory, Corporate Responsibility, Real Estate and Procurement.

- **Finance function:** BCE's Finance function plays a pivotal role in seeking to identify, assess and manage risks through a number of different activities, which include financial performance management, external reporting, pension management, capital management, and oversight and execution practices related to the United States *Sarbanes Oxley Act of 2002*
- **Corporate Security function:** this function is responsible for all aspects of security, which requires a deep understanding of the business, the risk environment and the external stakeholder environment. Based on this understanding, Corporate Security sets the standards of performance required across the organization through security policy definitions and monitors the organization's performance against these policies. In high and emerging risk areas such as cyber-security, Corporate Security leverages its experience and competence and, through collaboration with the operational business units, develops strategies intended to mitigate the organization's risks
- **Corporate Risk Management function:** this function works across the company to gather information and report on the organization's assessment of its principal risks and the related exposures. Annually, senior management participates in a risk survey that provides an important reference point in the overall risk assessment process.



In addition to the activities described above, the second line of defence is also critical in building and operating the oversight mechanisms that bring focus to relevant areas of risk and reinforce the bridges between the first and second lines of defence, thereby seeking to ensure that there is a clear understanding of emerging risks, their relevance to the organization and the proposed mitigation plans. To further coordinate efforts between the first and second lines of defense, BCE has established a Security, Environmental, Health and Safety Committee (SEHS). A significant number of BCE's most senior leaders are members of this committee, whose purpose is to oversee BCE's strategic security, environmental, health and safety risks and opportunities. This cross functional committee seeks to ensure that relevant risks are adequately recognized and mitigation activities are well integrated and aligned across the organization and are supported with sufficient resources.

## Committees of the Board of directors

There are four standing committees of the Board: the Audit Committee, the Compensation Committee, the Governance Committee and the Pension Committee.

**It is BCE's policy that each of the Audit Committee, the Compensation Committee and the Governance Committee must be comprised solely of independent directors**

The Board has concluded that all of the directors who served as members of the Audit Committee, the Compensation Committee and the Governance Committee during 2015 are independent under our director independence standards, which are consistent with the director independence requirements of the CSA's corporate governance rules and guidelines. In addition, all members of the Audit Committee met the more stringent Audit Committee independence requirements under *National Instrument 52-110 – Audit Committees* and the NYSE governance rules. During 2015 none of the members of the Audit Committee directly or indirectly accepted any consulting, advisory or other compensatory fee from BCE, other than ordinary director fees.

The charter of each Board committee is reviewed annually by the Governance Committee and can be found in the governance section of our website at [BCE.ca](http://BCE.ca). The Audit Committee charter is also attached as Schedule 2 to BCE's annual information form for the year ended December 31, 2015 (which you can access on our website at [BCE.ca](http://BCE.ca), SEDAR at [sedar.com](http://sedar.com) and EDGAR at [sec.gov](http://sec.gov)).

## Third Line of Defence – Internal Audit Function

Internal Audit is a part of the overall management information and control system and has the responsibility to act as an independent appraisal function. Its purpose is to provide the Audit Committee and management with objective evaluations of the company's risk and control environment, to support management in delivering against BCE's strategic imperatives and to maintain an audit presence throughout BCE and its subsidiaries.

For a detailed explanation of the material risks applicable to BCE and its subsidiaries, see section 8 entitled *Regulatory Environment* and section 9 entitled *Business Risks* in BCE's Management's Discussion and Analysis dated March 3, 2016 included in BCE's 2015 Annual Report, available on SEDAR at [sedar.com](http://sedar.com), on EDGAR at [sec.gov](http://sec.gov) and on BCE's website at [BCE.ca](http://BCE.ca).

As well, the position description of the committee chairs is detailed in the corresponding committee charter. At each regularly scheduled Board meeting, each committee of the Board, through the committee Chair, provides a report to the Board on its activities.

COMMITTEE	NUMBER OF MEETINGS HELD IN 2015	MEMBERS AT DECEMBER 31, 2015	INDEPENDENT
Audit	5	P.R. Weiss (Chair)	Yes
		S. Brochu	Yes
		D.F. Denison	Yes
		R.P. Dexter	Yes
		I. Greenberg	Yes
		K. Lee	Yes
		R.C. Simmonds	Yes
Compensation	6	R.A. Brenneman (Chair)	Yes
		B.K. Allen	Yes
		R.E. Brown	Yes
		I. Greenberg	Yes
		G.M. Nixon	Yes
Governance	5	R.E. Brown (Chair)	Yes
		B.K. Allen	Yes
		S. Brochu	Yes
		G.M. Nixon	Yes
		R.C. Simmonds	Yes
Pension	4	D.F. Denison (Chair)	Yes
		R.A. Brenneman	Yes
		R.P. Dexter	Yes
		K. Lee	Yes
		P.R. Weiss	Yes

## AUDIT COMMITTEE

The purpose of the Audit Committee is to assist the Board in its oversight of:

- the integrity of BCE's financial statements and related information
- BCE's compliance with applicable legal and regulatory requirements
- the independence, qualifications and appointment of the external auditors
- the performance of both the external and internal auditors
- management's responsibility for assessing and reporting on the effectiveness of internal controls
- the Corporation's enterprise risk management processes.

*Please refer to section 7.1 entitled Audit Committee report for a complete description of the committee.*

## COMPENSATION COMMITTEE

The purpose of the Compensation Committee is to assist the Board in its oversight responsibilities related to:

- compensation, nomination, evaluation and succession of officers and other management personnel
- BCE's health and safety policies and practices.

*Please refer to section 7.4 entitled Compensation Committee report for a complete description of the committee and for a description of fees paid to external compensation advisors in 2015.*

## GOVERNANCE COMMITTEE

The purpose of the Governance Committee is to assist the Board in:

- developing and implementing BCE's corporate governance guidelines
- identifying individuals qualified to become members of the Board
- determining the composition of the Board and its committees
- determining the directors' remuneration for Board and committee service
- developing and overseeing a process to assess the Chair of the Board, the Board, committees of the Board, chairs of committees, and individual directors
- reviewing, and recommending for Board approval, BCE's policies concerning business conduct, ethics, public disclosure of material information and other matters.

*Please refer to section 7.2 entitled Governance Committee report for a complete description of the committee.*

## PENSION COMMITTEE

The purpose of the Pension Committee is to assist the Board in its oversight responsibilities related to:

- the administration, funding and investment of BCE's pension plans and funds
- the unitized pooled funds sponsored by BCE for the collective investment of the funds and the participant subsidiaries' pension funds.

*Please refer to section 7.3 entitled Pension Committee report for a complete description of the committee.*

## Chair of the Board of directors

BCE's by-laws provide that directors may determine from time to time whether the Chair should be an officer of BCE or should act solely in a non-executive capacity. Should they decide that the Chair be an officer acting in an executive capacity, the Board must designate one of its members as the "lead director", who is responsible for ensuring that the Board can function independently of management.

Mr. Thomas C. O'Neill has served as independent Chair of the Board since 2009 and is not an executive officer of BCE. He is considered independent under our director independence standards, which are consistent with the CSA's corporate governance rules and guidelines and the NYSE governance rules.

### BOARD CHAIR SUCCESSION

Mr. O'Neill will retire as Chair of the Board effective at the close of the meeting. As a BCE director since 2003 and Chair since 2009, Mr. O'Neill's guidance has been essential to Bell's transformation into the leader in Canadian broadband communications services while delivering outstanding returns to BCE shareholders. BCE has won numerous accolades for outstanding corporate governance under Mr. O'Neill's leadership. A Fellow of the Institute of Corporate Directors, Mr. O'Neill is Chair of The Bank of Nova Scotia, a director of Adecco S.A. and of Loblaw Companies Limited, and Chair of the Board of Trustees of Toronto's St. Michael's Hospital.

## The board unanimously intends to appoint Mr. Gordon M. Nixon as Board Chair, following Mr. Thomas C. O'Neill retirement at the conclusion of meeting

The Governance Committee established a robust process for the appointment of a new Chair of the Board, including individual consultations with all directors under Mr. O'Neill's leadership. As a result of this process, the Governance Committee unanimously intends to recommend the appointment of, and the Board unanimously intends to appoint, Mr. Gordon M. Nixon as Chair, subject to his re-election at the meeting.

An independent director, Mr. Nixon was President and CEO of Royal Bank of Canada from 2001 to 2014, and CEO of RBC Dominion Securities from 1999 to 2001. A Member of the Order of Canada, Mr. Nixon is a director of George Weston Limited and BlackRock, Inc. More detailed biographical information about Mr. Nixon can be found under the heading *About the Nominated Directors* in section 4.

The detailed mandate of the Board Chair is included in the Board's charter, which can be found in the governance section of our website at [BCE.ca](http://BCE.ca), on SEDAR at [sedar.com](http://sedar.com) and on EDGAR at [sec.gov](http://sec.gov).

## President and CEO

The President and CEO, subject to the Board's approval, develops BCE's strategic and operational orientation. In so doing, he provides leadership and vision for the effective overall management, profitability and growth of BCE, and for increasing shareholder value and ensuring compliance with policies adopted by the Board.

**BCE's President and CEO has primary responsibility for the management of the business and affairs of BCE**

The President and CEO is directly accountable to the Board for all of BCE's activities. The Board approved a written position description for the President and CEO, which is available in the governance section of our website at [BCE.ca](http://BCE.ca).

## Composition and diversity of the Board of directors, tenure policy and nomination of directors

### COMPOSITION AND DIVERSITY

In terms of the composition and diversity of BCE's Board, the objective is to have a sufficient range of skills, expertise and experience to ensure that the Board can carry out its responsibilities effectively, with a membership that is geographically representative of BCE's shareholder base. Directors are chosen among the most qualified candidates for their ability to contribute to the broad range of issues with which the Board routinely deals.

The Governance Committee and the Board also consider the level of representation of women on the Board, and strive to include, within the candidates considered, individuals with a diverse background, including gender, ethnicity, age and experience.

In February 2015, the Board, on the recommendation of the Governance Committee, updated its Board composition policy (now the Board composition and diversity policy) to incorporate certain considerations in respect of Board diversity and adopted a target that women represent at least 25% of non-executive directors by the end of 2017.

The policy also states that, on a yearly basis, the Governance Committee will report to the Board in respect of the measures taken to ensure that the policy has been effectively implemented, the annual and cumulative progress in achieving the objectives of the policy and the effectiveness of the policy as a whole. In measuring the effectiveness of the policy, the Governance Committee considers its identification and consideration of any individuals to become Board members in the previous year and whether and how the policy influenced such identification and consideration.

**The Board has taken steps and made progress in the past year towards achieving its target that women represent at least 25% of non-executive directors by the end of 2017**

The director nominees for the meeting include three women, representing 23% of non-executive director nominees and 21% of all director nominees, compared to, respectively, 17% and 15% last year.

The Board reviews each director's contribution and determines whether the Board's size allows it to function efficiently and effectively. The Board believes that a board of directors composed of 14 members promotes effectiveness and efficiency.

### NOMINATION OF DIRECTORS

The Governance Committee receives suggestions for Board candidates from individual Board members, the President and CEO, shareholders and professional search organizations. On a regular basis, the Governance Committee reviews the current profile of the Board, including the average age and tenure of directors and the representation of various areas of expertise and experience and general conformity with the Board composition and diversity policy.

**On the recommendation of the Governance Committee, the Board recommends the appointment of two new Board candidates, Ms. Monique F. Leroux and Mr. Calin Rovinescu, in addition to Ms. Katherine Lee, who was appointed in August 2015, thereby ensuring the appropriate mix of skills, expertise, experience and geographical representation is maintained at the Board level**

Ms. Monique F. Leroux currently serves as Chair, President and CEO of Desjardins Group, the leading cooperative financial group in Canada, a position she will retire from on April 9, 2016. Mr. Calin Rovinescu is President and CEO of Air Canada, a position he has held since 2009. Ms. Katherine Lee was appointed to the Board on August 6, 2015. Ms. Lee is a corporate director who served as President and CEO of GE Capital Canada from 2010 to 2015. More information regarding Ms. Lee, Ms. Leroux and Mr. Rovinescu can be found in section 4 entitled *About the Nominated Directors*.

### TENURE

With respect to tenure, the Board strives to achieve a balance between the need to have a depth of institutional experience from its members on the one hand and the need for renewal and new perspectives on the other hand. The Board tenure policy does not impose an arbitrary retirement age limit, but with respect to term limits, it sets as a guideline that directors serve up to a maximum term of 12 years, assuming they are re-elected annually and meet applicable legal requirements. The Board, however, upon recommendation of the Governance Committee, may, in certain circumstances, extend a director's initial 12-year term limit.

In February 2016, the Board, on the recommendation of the Governance Committee, approved a one-year extension of the term of Mr. Ronald A. Brenneman as director of BCE. This one-year extension was approved to facilitate the transition in the position of Chair of the Compensation Committee in the context of the retirement of Mr. O'Neill and the transition in the Board Chair position. The Governance Committee, in making its recommendation to the Board, considered the exceptional contribution of Mr. Brenneman as Chair of the Compensation Committee as well as the following factors, among others:

- the need to ensure that the Board maintains an appropriate level of experience in and knowledge of BCE's business to allow it to discharge its duties effectively

- Mr. Brenneman is retired and is not involved in professional activities other than serving on various public company boards of directors
- Mr. Brenneman has extensive experience and knowledge of BCE's business as Chair of the Compensation Committee, which serves the best interests of BCE shareholders
- Mr. Brenneman attended 100% of Board and committee meetings in 2015 and 96% over the course of the past 5 years.

## Competency requirements

We maintain a "competency" matrix in which directors indicate their expertise level in areas we think are required at the Board for a company like ours. Each director has to indicate the degree to which he or she believes they possess these competencies. The table below lists the top four competencies of our nominee directors together with their age range, tenure, linguistic background and residency.

	AGE			TENURE AT BCE			LINGUISTIC		REGION			TOP FOUR COMPETENCIES <sup>(1)</sup>												
NAME	UNDER 60	60 – 69	70 – 75	0 – 5 YEARS OF SERVICE	6 – 10 YEARS OF SERVICE	> 10 YEARS OF SERVICE	ENGLISH	FRENCH	ALBERTA	ONTARIO	QUÉBEC	NOVA SCOTIA	U.S.	ACCOUNTING & FINANCE	CEO/SENIOR MANAGEMENT	GOVERNANCE	GOVERNMENT/ REGULATORY AFFAIRS	HUMAN RESOURCES/ COMPENSATION	INVESTMENT BANKING/M&A	MEDIA/CONTENT	RETAIL/CUSTOMER	RISK MANAGEMENT	TECHNOLOGY	TELECOMMUNICATIONS
B.K. Allen	x			x			x						x		x								x	x
R.A. Brenneman	x				x		x		x					x	x			x			x			
S. Brochu	x			x			x	x			x			x	x	x					x			
R.E. Brown		x		x			x	x			x			x	x			x				x		
G.A. Cope	x			x			x			x				x			x			x				x
D.F. Denison		x		x			x			x				x	x				x			x		
R.P. Dexter		x		x			x				x				x			x			x	x		
I. Greenberg			x	x			x	x			x			x		x		x		x				
K. Lee	x			x			x			x				x	x				x			x		
M.F. Leroux		x		x			x	x			x			x	x	x					x			
G.M. Nixon	x			x			x			x				x	x			x	x					
C. Rovinescu		x		x			x	x			x			x				x	x		x			
R.C. Simmonds		x		x			x			x					x	x							x	x
P.R. Weiss		x		x			x			x				x		x			x			x		

(1) Definition of core competencies

- Accounting & Finance: experience with, or understanding of, financial accounting and reporting, corporate finance and familiarity with financial internal controls, and Canadian GAAP/IFRS
- CEO/Senior Management: experience as a CEO or senior executive of a major public company or other major organization
- Governance: experience in corporate governance principles and practices at a major organization
- Government/Regulatory Affairs: experience in, or understanding of, government, relevant government agencies and/or public policy in Canada
- Human Resources/Compensation: experience in, or understanding of, compensation plans, leadership development, talent management, succession planning and human resource principles and practices generally
- Investment Banking/M&A: experience in investment banking and/or major transactions involving public companies
- Media/Content: senior executive experience in the media or content industry
- Retail/Customer: senior executive experience in a mass consumer industry
- Risk Management: experience in, or understanding of, internal risk controls, risk assessment, risk management and/or reporting
- Technology: senior executive experience in the technology industry
- Telecommunications: senior executive experience in the telecommunications industry.

## Audit Committee members' financial literacy, expertise and simultaneous service

Under applicable rules, the Corporation is required to disclose whether its Audit Committee members include at least one "audit committee financial expert". In addition, we are subject to Canadian and NYSE corporate governance rules relating to audit committees and certification of financial information requiring that all Audit Committee members be financially literate.

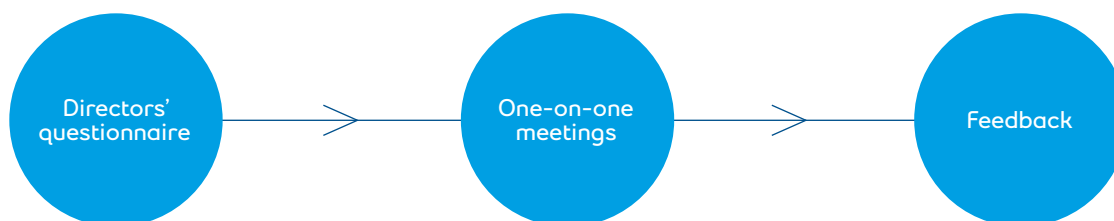
The Board has determined that all members of the Audit Committee during 2015 were, and all current members of the Audit Committee are, financially literate. In respect of the current Audit Committee members,

as well as members during 2015, the Board determined that at least one of the members of the Audit Committee, being its Chair, Mr. P.R. Weiss, is qualified as an "audit committee financial expert".

The NYSE rules followed by the Corporation require that if an Audit Committee member serves simultaneously on the audit committee of more than three public companies, the Board must determine and disclose that this simultaneous service does not impair the ability of the member to effectively serve on the Audit Committee. None of the current members of the Audit Committee serve on the audit committee of more than three public companies.

## Board of directors' assessment

As part of its charter, the Governance Committee develops and oversees a process to enable each director to assess the effectiveness and performance of the Board and its Chair, the Board committees and their respective chairs and himself or herself as a member of the Board. For 2015, the assessment process was conducted as follows:



Each director completed questionnaires aimed at evaluating his or her own performance as a member of the Board, the performance of the Board as a whole and its Chair, as well as the performance of each Board committee on which she or he serves and their respective Chair.

Each director then met separately with the Chair of the Board to review the results of the questionnaires and to discuss and assess the performance of the Board and its Chair, the committees and their Chairs and their director colleagues.

Following this process, in camera sessions of the Governance Committee and the Board were held, at which the feedback from the questionnaires and the one-on-one meetings and the appropriateness of any modifications or enhancements were reviewed and discussed.

## Independence of the Board of directors

The Board's policy is that at least a majority of its members must be independent. Acting on the recommendation of the Governance Committee, the Board is responsible for determining whether or not each director is independent. For a director to be considered independent, the Board analyzes all of the relationships each director has with BCE and must determine that the director does not have any direct or indirect material relationship with us. To guide this analysis, the Board has adopted director independence standards. These standards are consistent with the CSA and the NYSE rules, are reviewed by the Governance Committee every year and can be found in the governance section of our website at [BCE.ca](http://BCE.ca).

Information concerning the relationships each director has with BCE is collected through the following sources: directors' responses to a detailed questionnaire, biographical information of directors, our internal corporate records, external verifications and any required discussions with our directors. Furthermore, each year, directors certify that they comply with our Code of Business Conduct, including the obligation to disclose any actual or potential conflict of interest.

In the course of the Board's determination regarding independence, it evaluated the relationships of each director with BCE against the independence standards outlined above and considered all relevant transactions, relationships and arrangements with companies or organizations with whom our directors may be associated. Among other things, the Board considered whether the independence of Mr. I. Greenberg, who brings significant, important and necessary media industry experience to the Board, the Audit Committee and the Compensation Committee, was affected by the fact that he held the position of CEO of Astral Media Inc. ("Astral"), a company acquired by BCE in July 2013. The Board determined that his independence was not affected by this factor, including for the following reasons: (i) upon closing of the acquisition, all of Mr. Greenberg's relationships with Astral ceased, (ii) Mr. Greenberg joined the BCE Board following the closing of the acquisition, (iii) Mr. Greenberg has never held any employment or executive position with BCE or its affiliated entities, (iv) Mr. Greenberg did not retain any interest in Astral following the acquisition, no amounts were or are owed to him by BCE, nor did he receive any interest in BCE on closing, (v) Mr. Greenberg receives no compensation from BCE or its

affiliated entities other than director fees, (vi) Astral, which represented approximately 5% of BCE's revenues and assets, has been fully integrated in the Bell Media division, and (vii) Mr. Greenberg does not have any other material relationship with BCE or its affiliated entities. As part of its determination, the Board considered the level of integration of Astral into BCE's Bell Media unit, in particular the fact that Bell's financial and control systems apply to all of Bell Media, including the businesses that were formerly Astral.

As a result of the foregoing assessment, the Board determined that each of BCE's current director nominees (with the exception of our President and CEO, Mr. G.A. Cope) does not have a material relationship with BCE and is independent. As an officer of BCE, Mr. G.A. Cope is not considered to be independent under these rules.

### All Board members other than the President and CEO are independent All members of the committees of the Board are independent

All members of the Audit Committee, Compensation Committee and Governance Committee must be independent as defined under BCE's director independence standards. Members of the Audit Committee and Compensation Committee must also satisfy more stringent independence requirements, as defined under BCE's director independence standards.

The Board has determined that, as of the date of this circular, members of all committees of the Board are independent and members of the Audit Committee and Compensation Committee satisfy these more stringent independence requirements.

NAME	STATUS OF DIRECTOR NOMINEES		REASON FOR NON-INDEPENDENT STATUS
	INDEPENDENT	NOT INDEPENDENT	
B.K. Allen	X		
R.A. Brenneman	X		
S. Brochu	X		
R.E. Brown	X		
G.A. Cope		X	President and CEO
D.F. Denison	X		
R.P. Dexter	X		
I. Greenberg	X		
K. Lee	X		
M.F. Leroux	X		
G.M. Nixon	X		
C. Rovinescu	X		
R.C. Simmonds	X		
P.R. Weiss	X		

## Board interlocks

The Board's approach to board interlocks is to the effect that no more than two Board members may sit on the same public company board.

Common memberships on boards of public companies among director nominees are set out in the table to the right. The Board has determined that this board interlock does not impair the ability of these directors to exercise independent judgment as members of our Board.

COMPANY	DIRECTOR	COMMITTEE MEMBERSHIP
Bank of Montreal	S. Brochu	Audit
	G.A. Cope	Human Resources

## Expectations and personal commitments of directors

The Board expects all of its members to comply with BCE's Statement of Corporate Governance Principles & Guidelines. Members are also expected to comply with BCE's policies that apply to directors and the various Board procedures and practices. These procedures include the declaration of interest and changes in principal occupation (see below for details), the conflicts of interest guidelines (see below for details), the share ownership guidelines (see section 5 entitled *Director Compensation* for details) and the Code of Business Conduct (see further under *Ethical Business Conduct* for details).

The Board also expects all of its members to demonstrate personal and professional characteristics beyond reproach. These characteristics include high ethical standards and integrity, leadership, financial literacy and current fluency in their own field of expertise.

### In 2015, the current directors, as a group, attended 98% of all Board and committee meetings and 100% of regular Board meetings

The Board further expects all of its members to make meaningful commitments during their time as directors of BCE. Each director is expected to participate in the director orientation program and in continuing education and development programs. They are expected to develop and expand a broad, current knowledge of the nature and operation of our major business units. Similarly, all members are expected to commit the necessary time required to be an effective and fully contributing member of the Board and of each Board committee on which they serve. In this regard, the Board recommends that directors limit the number of boards of directors on which they serve to no more than six public company boards, including BCE's Board.



The Governance Committee is responsible for administering BCE's policy on directors' attendance at meetings of the Board and its committees. Under this policy, the Corporate Secretary must report to the Governance Committee any director who did not attend at least 75% of the combined Board and committee meetings held in the year.

The following table indicates the attendance of our current directors at Board and committee meetings during 2015:

NAME	REGULAR BOARDS	SPECIAL BOARDS <sup>(1)</sup>	TOTAL BOARDS	AUDIT COMMITTEE	COMPENSATION COMMITTEE	GOVERNANCE COMMITTEE	PENSION COMMITTEE	TOTAL
B.K. Allen	6/6	2/2	8/8	–	6/6	5/5	–	100%
R.A. Brenneman	6/6	2/2	8/8	–	6/6 (Chair)	–	4/4	100%
S. Brochu	6/6	1/2	7/8	5/5	–	5/5	–	94%
R.E. Brown	6/6	1/2	7/8	–	6/6	5/5 (Chair)	–	95%
G.A. Cope	6/6	2/2	8/8	–	–	–	–	100%
D.F. Denison	6/6	2/2	8/8	5/5	–	–	4/4 (Chair)	100%
R.P. Dexter	6/6	2/2	8/8	4/5	–	–	2/4	82%
I. Greenberg	6/6	2/2	8/8	5/5	6/6	–	–	100%
K. Lee <sup>(2)</sup>	3/3	1/1	4/4	1/1	–	–	1/1	100%
G.M. Nixon	6/6	2/2	8/8	–	6/6	5/5	–	100%
T.C. O'Neill <sup>(3)</sup>	6/6	2/2	8/8	–	–	–	–	100%
R.C. Simmonds	6/6	2/2	8/8	5/5	–	5/5	–	100%
P.R. Weiss	6/6	2/2	8/8	5/5 (Chair)	–	–	4/4	100%
<b>TOTAL</b>	<b>100%</b>	<b>92%</b>	<b>98%</b>	<b>97%</b>	<b>100%</b>	<b>100%</b>	<b>88%</b>	<b>98%</b>

(1) Due to exceptional circumstances, special Board meetings may have to be called on short notice and must, on occasion, be held at a time and date when the largest number of directors is available but certain members may be unable to attend.

(2) Ms. Lee was appointed to the Board and the Audit and Pension Committees on August 6, 2015.

(3) As Chair of the Board, during 2015, Mr. O'Neill was not a member of any committee of the Board but attended as an ex officio member on all committees.

Directors must follow the procedure for declarations of interest and changes in their principal occupation. The procedure is designed to enable the Governance Committee to be notified in a timely fashion of any change in a director's external directorships and principal occupation, and to permit the Governance Committee to review and consider any possible effect of such a change on the suitability of that director's continued service as a member of the Board. This procedure also states that directors are expected to tender their resignation upon a change in their principal occupation, which only becomes effective when it is accepted by the Board upon the recommendation of the Governance Committee.

BCE's conflicts of interest guidelines for directors set out how conflict situations will be managed during a Board meeting. If a director is deemed to have a conflict of interest because of an interest in a party to a proposed contract or transaction with BCE, then a specific "declaration of interest" is noted in the minutes of the meeting. As well, the conflicted director must abstain from voting on the matter. Depending on circumstances, the director may also withdraw from the meeting while the Board deliberates. This procedure is followed on an "as-required" basis.

## Orientation and continuing education

New directors are given the opportunity to individually meet with members of senior management to aid in their understanding of our businesses. The Governance Committee assists new directors in becoming acquainted with BCE and its governance processes and encourages continuing education opportunities for all members of the Board.

We provide to new and existing directors a comprehensive reference manual containing information with respect to: all key corporate and Board policies, including the Code of Business Conduct; the structure and responsibilities of the Board and its committees; the legal duties and liabilities of directors; and BCE's articles and by-laws.

All directors have regular access to senior management to discuss Board presentations and other matters of interest.

The Board has adopted guidelines with respect to directors' attendance at external continuing education programs under which BCE reimburses the costs of attendance, and we encourage our directors to attend conferences, seminars or courses, whether they be industry-specific to BCE or relevant to fulfilling their role as a director. During 2015, our directors attended a number of such events in various areas of relevance to their function as Board member.

Furthermore, in recognition of the rapidly changing technology and competitive environment in our business, the Board and committees, at regularly scheduled meetings, require management to provide an in-depth review of the business segments in which we operate, as well as our industry in general and topics relevant to each committee. We have listed below a sample of different internal sessions attended by our directors in 2015.

PARTICIPANTS	TOTAL SESSIONS	EXAMPLES OF SESSIONS HELD
Board of Directors	25	<ul style="list-style-type: none"> <li>• Bell's Mental Health initiative</li> <li>• Customer experience</li> <li>• Information technology</li> <li>• Media business</li> <li>• Network</li> </ul> <ul style="list-style-type: none"> <li>• Regulatory developments</li> <li>• Risk management</li> <li>• Wireless business</li> <li>• Wireline business</li> </ul>
Audit Committee	10	<ul style="list-style-type: none"> <li>• Audit governance</li> <li>• Environmental risk</li> <li>• Major accounting policies</li> </ul> <ul style="list-style-type: none"> <li>• Risk management</li> <li>• Security</li> </ul>
Compensation Committee	7	<ul style="list-style-type: none"> <li>• Executive compensation disclosure</li> <li>• Executive compensation trends and best practices</li> </ul> <ul style="list-style-type: none"> <li>• Health and safety</li> </ul>
Governance Committee	9	<ul style="list-style-type: none"> <li>• Developments in corporate governance</li> <li>• Diversity</li> </ul> <ul style="list-style-type: none"> <li>• Ethics and corporate policies</li> </ul>
Pension Committee	7	<ul style="list-style-type: none"> <li>• Pension reform initiatives</li> </ul>
New and Current Board Members	1	<ul style="list-style-type: none"> <li>• Onboarding session for new directors</li> </ul>

## 6.2 Shareholder engagement

The Board remains committed to engaging actively with the shareholders of the Corporation. Meetings are held regularly between our executive officers and institutional shareholders. On a quarterly basis, we hold a conference call with the investment community to review the financial and operating results of the quarter. Our executive officers and other members of the senior management team are regularly invited to speak at broker-sponsored industry investor conferences. All these presentations are accessible to our shareholders on our website at [BCE.ca](http://BCE.ca).

### Shareholders can communicate with the Corporation through various means, including email and telephone

Our Investor Relations department is committed to meeting with brokers and actively engages with retail shareholders to address any shareholder-related concerns and provide public information on the Corporation. On a regular basis, either one of the Chair of the Board, the Chair of the Compensation Committee or the Chair of the Governance Committee and members of management meet with shareholder advocacy groups to discuss governance issues.

We have in place various means of communication for receiving feedback from interested parties. We have a toll-free number for general inquiries (1-888-932-6666) and for investor and shareholder inquiries (1-800-339-6353). Shareholders and other interested parties may also communicate with the Board and its Chair by contacting the Corporate Secretary's Office at [corporate.secretariat@bell.ca](mailto:corporate.secretariat@bell.ca) or by calling 514-786-8424. For any complaints and/or concerns with respect to BCE's accounting, internal accounting controls or auditing matters, interested parties should consult our Complaint Procedures for Accounting and Auditing Matters on our website at [BCE.ca](http://BCE.ca).

Our shareholders will be asked again this year to consider and approve an advisory resolution on our approach to executive compensation. The Board, the Compensation Committee and management will continue existing practices discussed above regarding shareholder discussion and engagement. The Board and the Compensation Committee will continue to review and consider all shareholder feedback related to executive compensation matters. To facilitate questions and comments from shareholders, the following means of communication are available:

- communicating with the Compensation Committee by mail: BCE Inc. c/o Chair of the Management Resources and Compensation Committee, 1 Carrefour Alexander-Graham-Bell, Building A, 7th floor, Verdun, QC, H3E 3B3, or by email: [corporate.secretariat@bell.ca](mailto:corporate.secretariat@bell.ca)
- using our web tool, accessible through our website at [BCE.ca](http://BCE.ca) under the banner "2016 Annual Meeting of Shareholders" and then following the instructions on screen, or
- calling us at 1-800-339-6353 (service in both English and French).

The Corporation will review all correspondence received and will periodically post a summary of comments received, if any, together with our responses on our website, accessible through [BCE.ca](http://BCE.ca) under the banner "2016 Annual Meeting of Shareholders".

Also, the Compensation Committee and the Board will review and analyze the results of the advisory vote on our approach to executive compensation and will take into consideration such results when reviewing executive compensation philosophy, policies and programs.

The Board confirms that our current practices achieve substantially the same results as the CCG's Model Policy of the Board of Directors on Engagement with Shareholders on Governance Matters and "Say on Pay" Policy for Boards of Directors.

## 6.3 Ethical business conduct

Regular reports are provided to the Audit Committee and the Governance Committee with respect to our ethics program and our oversight of corporate policies across BCE.

BCE's Chief Legal & Regulatory Officer and EVP, Corporate Development has overall responsibility for (among other things):

- the oversight of BCE's ethics program, including the Code of Business Conduct and ethics training

- our anonymous 24/7 Employee Help Line that assists employees with any ethical issues and reporting of issues relating to questionable accounting, internal controls, auditing matters or corporate fraud, and
- the oversight of BCE's corporate policy management framework designed to improve employee awareness and access to some of the core corporate policies and business unit-specific practices, processes and procedures.

### Corporate policies

The most significant corporate-wide policies with respect to business ethics are the Code of Business Conduct, the Complaint Procedures for Accounting and Auditing Matters (Whistleblowing Procedures), the Disclosure Policy and the Auditor Independence Policy. These policies are available in the governance section of our website at [BCE.ca](http://BCE.ca).

#### CODE OF BUSINESS CONDUCT

Our Code of Business Conduct provides various rules and guidelines for ethical behaviour based on BCE's values, applicable laws and regulations and corporate policies. The Code of Business Conduct applies to all employees, officers and directors. In recognition of the important role of the directors and senior management personnel in demonstrating their commitment to and support of BCE's ethics program, as embodied in the values and rules set out in the Code of Business Conduct, the Board requires all directors and executives to certify annually their compliance with the Code of Business Conduct.

This certification also confirms their express support for the setting of standards to discourage wrongdoing and to promote honest and ethical conduct throughout the organization.

**The Board requires all directors, executives and employees to certify annually their compliance with our Code of Business Conduct**

Our shareholders, customers and suppliers expect honest and ethical conduct in all aspects of our business. Accordingly, we also require that all employees certify annually that they have reviewed and understand the Code of Business Conduct. In addition, all new employees are required to complete an online training course on the Code of Business Conduct within the first week of being hired. All employees are required to complete the online training course every two years.

Employees must also report to their manager any real or potential conflict of interest and, as required, provide written disclosure of such conflict to the Corporate Secretary. In addition to the requirements to comply with the conflict of interest guidelines and procedures set out in the Code of Business Conduct, all employees are required to disclose to the Corporate Secretary any potential or actual conflict of interest. The Corporate Secretary is responsible for managing and resolving conflict of interest issues of employees.

**The Audit Committee has established whistleblowing procedures for confidentially and anonymously submitting concerns from employees about questionable accounting or auditing matters**

BCE considers it vital that employees have the most effective tools to ask questions or raise issues concerning any ethical dilemma. Our Employee Help Line can be accessed online on a completely anonymous and confidential 24/7 basis, to ask questions or report concerns relating to issues under the Code of Business Conduct. This system is administered by an independent firm specializing in the field. It also provides employees a means to track the progress of their enquiries online, responds to requests for additional information (when required) and provides BCE with an auditable record of issues raised.

#### COMPLAINT PROCEDURES FOR ACCOUNTING AND AUDITING MATTERS

The Audit Committee has established procedures for receiving, filing and handling complaints that the Corporation or any of its subsidiaries might receive about:

- accounting, internal accounting control or auditing matters, and
- evidence of an activity that may constitute corporate fraud, violation of federal or provincial laws, or misappropriation of property that belongs to the Corporation or any of its subsidiaries.

Our employees have several means of communication available to them, such as an Employee Help Line that can be accessed either by telephone or online on a completely anonymous and confidential 24/7 basis, e-mail and regular mail.

## DISCLOSURE POLICY

The Board periodically approves policies for communicating with our various stakeholders, including shareholders, employees, financial analysts, governments and regulatory authorities, the media and the Canadian and international communities. The Disclosure Policy was adopted to govern our communications with the investment community, the media and the general public. This policy was designed to assist us in seeking to ensure that our communications are timely, accurate and broadly disseminated according to the laws that apply to us. The policy establishes guidelines for the verification of the accuracy and completeness of information disclosed publicly and other guidelines dealing with various matters, including material information, news releases, conference calls and webcasts, electronic communications and rumours.

## AUDITOR INDEPENDENCE POLICY

Our Auditor Independence Policy is a comprehensive policy governing all aspects of our relationship with the external auditors, including:

- establishing a process for determining whether various audit and other services provided by the external auditors affect their independence
- identifying the services that the external auditors may and may not provide to the Corporation and its subsidiaries

- preapproving all services to be provided by the external auditors of the Corporation and its subsidiaries, and
- establishing a process outlining procedures when hiring current or former personnel of the external auditors in a financial oversight role to ensure auditor independence is maintained.

In particular, the policy specifies that:

- the external auditors cannot be hired to provide any services falling within the prohibited services category, such as bookkeeping, financial information systems design and implementation, and legal services
- for all audit or non-audit services falling within the permitted services category (such as prospectus, due diligence and non-statutory audits), a request for approval must be submitted to the Audit Committee prior to engaging the external auditors
- specific permitted services, however, are preapproved annually and quarterly by the Audit Committee and consequently only require approval by the EVP and CFO prior to engaging the external auditors, and
- at each regularly scheduled Audit Committee meeting, a summary of all fees billed by the external auditors by type of service is presented. This summary includes the details of fees incurred within the preapproval amounts.

The Auditor Independence Policy is available in the governance section of our website at [BCE.ca](http://BCE.ca).

## Oversight and reports

The Board is responsible for ensuring that BCE's management creates and supports a culture in which ethical business conduct is recognized, valued and exemplified throughout the organization. The Board must also satisfy itself as to the integrity of the President and CEO, other corporate officers and senior management. Both the Governance Committee and the Audit Committee support the Board in its oversight of BCE's ethics program. The Governance Committee has the responsibility for the content of the policies with respect to ethics, while the Audit Committee has the oversight responsibility for compliance with these policies.

The Audit Committee receives a quarterly report prepared by the Vice-President – Audit and Risk Advisory Services providing details of complaints received, if any, in respect of accounting and auditing matters. This report also details the status of investigations and any follow-up action required.

The Chair of the Audit Committee is notified by either the Chief Legal & Regulatory Officer and EVP, Corporate Development, the Senior Vice-President – General Counsel and Corporate Secretary or the Vice-President – Audit and Risk Advisory Services of any complaints that relate to accounting, internal controls, auditing matters or corporate fraud. The results of any investigation or follow-up action are provided to the Audit Committee.

## Governance disclosure

The following documents, to which we have made reference throughout this circular, are available on our website at [BCE.ca](http://BCE.ca):

- the charter of the Board, as well as of each of its committees, including the position description of their respective chairs
- the position description of the President and CEO
- our director independence standards
- our key corporate policies, including our Code of Business Conduct
- a summary of the differences between the NYSE rules and BCE's corporate governance practices
- this statement of corporate governance practices.

To obtain a printed version of any of these documents free of charge, please write to the Corporate Secretary's Office at 1 Carrefour Alexander-Graham-Bell, Building A, 7th floor, Verdun, Québec, Canada, H3E 3B3 or call 1-800-339-6353.

# 7 Committee Reports

This section includes reports from each of the Board's four standing committees and tells you about their current members, responsibilities and activities in the past year.

## 7.1 Audit Committee report



P.R. Weiss  
CHAIR



S. Brochu



D.F. Denison



R.P. Dexter



I. Greenberg



K. Lee



R.C. Simmonds

The Audit Committee assists the Board in its oversight of the integrity of our financial statements and related information, compliance with applicable legal and regulatory requirements, the independence, qualifications and appointment of the external auditors, the performance of both the external and internal auditors, management's responsibility for assessing and reporting on the effectiveness of internal controls and our enterprise risk management processes.

Also see Schedule 1 – *Audit Committee Information* in our annual information form for the year ended December 31, 2015 (which you can access on our website at [BCE.ca](http://BCE.ca), on SEDAR at [sedar.com](http://sedar.com) and on EDGAR at [sec.gov](http://sec.gov)), for information about the Audit Committee, including its charter, information about independence, financial literacy, relevant education and experience of Audit Committee members, as well as Audit Committee policies and procedures for engaging the external auditors. The charter of the Audit Committee is available in the governance section of our website at [BCE.ca](http://BCE.ca).

### Highlights for 2015

The Audit Committee communicates regularly and directly with management and the internal and external auditors. The Audit Committee held five meetings in 2015. Time is set aside at each regularly scheduled meeting for the committee members to meet without management and the internal and external auditors, and to meet separately with each of management and the internal and external auditors.

The Audit Committee continued to focus on four key areas in 2015:

- assessing the appropriateness of our financial reporting
- reviewing the adequacy of policies and processes for internal control over financial reporting, risk management and compliance with laws and regulations that apply to us, including oversight of compliance with our Code of Business Conduct and security and environmental policies
- monitoring the application of International Financial Reporting Standards (IFRS), and
- overseeing all aspects of the internal and external audit functions.

#### FINANCIAL REPORTING

The Audit Committee meets to review the following documents with management and the external auditors and recommends them to the Board for approval:

- our annual financial statements and quarterly interim financial reports
- the related management's discussion and analysis of financial condition and results of operations (MD&A)
- our annual report on Form 40-F for U.S. purposes
- our annual information form (AIF)
- our earnings press releases, and
- our Safe Harbour Notice Concerning Forward-Looking Statements.

This review is to provide reasonable assurance that:

- the Corporation's financial reporting is complete and fairly presented in all material respects, and
- the accounting principles used to prepare our financial statements are appropriate, in particular where judgements, estimates, risks and uncertainties are involved, and we have provided adequate disclosure of material issues.

The Audit Committee also reviews new legal and regulatory initiatives that apply to us and the adoption and disclosure of new accounting standards. It also assesses the potential impact of choosing between accounting alternatives, when appropriate.

#### DISCLOSURE CONTROLS & PROCEDURES

The Audit Committee is responsible for overseeing management's assessment of disclosure controls and procedures, related certifications provided by the President and CEO and the CFO and any related disclosures that may result from management's assessment.

Under applicable rules, the Corporation is required to establish and maintain disclosure controls and procedures to ensure that the information we publicly disclose is accurately recorded, processed, summarized and reported on a timely basis. The Board has approved guidelines outlining the Corporation's disclosure controls and procedures, as well as a written charter outlining the responsibilities, membership and procedures of the disclosure and compliance committee. This committee consists of officers and other key employees responsible for overseeing the accuracy and timeliness of the Corporation's disclosure documents.

As part of our disclosure controls and procedures, we have established a comprehensive process to support the annual and quarterly certifications required under applicable rules. Among other things, these certifications by the President and CEO and the CFO state that:

- they are responsible for establishing and maintaining the Corporation's disclosure controls and procedures
- they have evaluated the effectiveness of these disclosure controls and procedures
- the Corporation's annual financial statements, quarterly interim financial reports, related MD&A and the AIF do not contain any untrue statement of a material fact, and
- the Corporation's annual financial statements, quarterly interim financial reports and other financial information fairly present, in all material respects, the Corporation's financial condition, results of operation and cash flows.

## INTERNAL CONTROL OVER FINANCIAL REPORTING

The Audit Committee is responsible for overseeing management's assessment of internal control over financial reporting (ICFR), related certifications provided by the President and CEO and the CFO and any related disclosures that may result from management's assessment.

Management has established a comprehensive process to document ICFR and evaluate the effectiveness of such controls in compliance with applicable rules. Management has prepared a report on the effectiveness of ICFR as at December 31, 2015, which is filed as part of the Corporation's annual report. This management report contains:

- a statement of management's responsibilities for establishing and maintaining adequate ICFR

- a description of the framework used to evaluate, and management's assessment of, the effectiveness of the Corporation's ICFR, and
- a statement that the external auditors have issued an opinion to the effect that the Corporation's ICFR was effective as at December 31, 2015.

Regulations also require that the President and CEO and the CFO, in separate individual certificates, attest to the Corporation's ICFR. The President and CEO and the CFO have certified that they have disclosed to the external auditors and the Audit Committee based on their most recent evaluation of ICFR:

- all significant deficiencies and material weaknesses, if any, in the design or operation of ICFR that are reasonably likely to adversely affect the Corporation's ability to record, process, summarize and report financial information, and
- any fraud, whether or not material, that involves management or other employees who have a significant role in the Corporation's ICFR.

The Audit Committee met with management, our internal auditor and the external auditors, Deloitte LLP, over the course of 2015 to receive status reports on management's documentation and assessment process. Management and the President and CEO and the CFO provided the Audit Committee with their report on their review of the design and operating effectiveness of ICFR as at December 31, 2015. No material weakness in the design or operation of ICFR was noted.

The Audit Committee will continue to regularly monitor management's evaluation process and the effectiveness of our ICFR throughout 2016.

## Audit function

### EXTERNAL AUDITORS

The Audit Committee is responsible for recommending to the Board the appointment of the external auditors and their compensation. The Audit Committee is directly responsible for:

- evaluating the external auditors annually and comprehensively at least every five years, to make sure that they fulfill their responsibilities. The Audit Committee reviews the external auditors' performance, as well as their qualifications, independence, internal quality control procedures, audit plans and fees, and
- assessing the adequacy of the auditor independence policy and approving recommendations for changes to, and monitoring compliance with, the policy. This includes the process for approving in advance all audit and other services to be provided by the external auditors.

### INTERNAL AUDITOR

The Audit Committee also oversees the internal audit function.

This includes:

- overseeing internal audit plans, staffing and budgets
- evaluating the responsibilities and performance of the internal auditor, and
- reviewing periodic internal audit reports and corrective actions being taken.

The Vice-President, Audit and Risk Advisory Services reports directly to the Chair of the Audit Committee.

### RISK MANAGEMENT

The Audit Committee also reviews, monitors, reports on and, where appropriate, provides recommendations to the Board regarding:

- our processes for identifying, assessing and managing risk, and
- our major financial risk exposures and the steps we take to monitor and control such exposures.

For additional information, please see *Risk Oversight* under section 6 entitled *Corporate Governance Practices*.

### OTHER

The Audit Committee also reviews our compliance with respect to our environmental policies and carries out an annual evaluation of its performance with the Governance Committee, including a review of the adequacy of its charter. Finally, the Audit Committee reports regularly to the Board on its activities.

Report presented March 3, 2016, by:

**P.R. Weiss, Chair**

**S. Brochu, D.F. Denison, R.P. Dexter, I. Greenberg, K. Lee, R.C. Simmonds**



## 7.2 Governance Committee report



R.E. Brown  
CHAIR



B.K. Allen



S. Brochu



G.M. Nixon



R.C. Simmonds

The Governance Committee assists the Board in developing and implementing our corporate governance guidelines, identifying individuals qualified to become members of the Board and determining the composition of the Board and its committees, determining the directors' remuneration, developing and overseeing an assessment process for the Board, and reviewing and recommending for Board approval our corporate policies concerning business conduct and ethics. The charter of the Governance Committee is available in the governance section of our website at [BCE.ca](http://BCE.ca).

### Highlights for 2015

The Governance Committee held five meetings in 2015. The Governance Committee communicates regularly and directly with the officers. Time is set aside at each regularly scheduled meeting for the committee members to meet without management.

Highlights of items reviewed, reported on or recommended by the Governance Committee to the Board in 2015 include the following:

- the size and composition of the Board to ensure that the Board and its committees continue to benefit from the range of skills, expertise and experience needed to function effectively and for sound succession planning
- a review of the progress made and measures taken to ensure that the Board composition and diversity policy has been effectively implemented, including towards achieving its target that women represent at least 25% of non-executive directors by the end of 2017
- the appointment of one new director in August 2015, Ms. Katherine Lee, and the selection of two new Board nominees, Ms. Monique F. Leroux and Mr. Calin Rovinescu, to stand for election at the meeting
- the process to select a new Chair of the Board, culminating in the Board's unanimous intention to appoint Mr. Gordon M. Nixon as Board Chair, subject to his re-election at the meeting
- the independence of directors and our director independence standards; these standards are available in the governance section of our website at [BCE.ca](http://BCE.ca)
- the financial literacy and expertise of the members of the Audit Committee
- the consideration of existing and new board interlocks and of the possible effect of any change in a director's external directorships or principal occupation on such director's suitability to continue to serve as a director
- the changes in the composition of the Board committees
- the annual review of the effectiveness of the Board and of its committees and the assessment of the performance of each director and of the Board, the Board Chair, Board committees and each committee Chair

- the directors' attendance record
- the review of the adequacy and form of non-management directors' compensation for serving on the Board and its committees, including the requirement for minimum share ownership, to ensure that it continues to be appropriate (please refer to section 5 entitled *Director Compensation* for a complete description of the directors' compensation in 2015)
- the monitoring of corporate governance developments
- how we align with various corporate governance guidelines and initiatives
- the annual review of policies under the responsibility of the Governance Committee, including our Code of Business Conduct
- the Board's statement of corporate governance principles and guidelines, including the majority voting guidelines for the election of directors, and
- the manner in which our shareholders will exercise their voting rights at the meeting.

The Governance Committee also reviews annually the adequacy of the charter of the Board, the charter of the Governance Committee and the respective charters of each other committee of the Board. Finally, the Governance Committee reports regularly to the Board on its activities.

Report presented March 3, 2016, by:

R.E. Brown, Chair

B.K. Allen, S. Brochu, G.M. Nixon, R.C. Simmonds

## 7.3 Pension Committee report



D.F. Denison  
CHAIR



R.A. Brenneman



R.P. Dexter



K. Lee



P.R. Weiss

The Pension Committee advises the Board on policies relating to the administration, funding and investment of the pension plans, pension funds and master funds. For the defined benefit arrangements, master funds are unitized pooled funds that the Corporation sponsors for the collective investment of its pension funds and the pension funds of its participating subsidiaries. For the defined contribution arrangements, various investment options are offered to members. The charter of the Pension Committee is available in the governance section of our website at [BCE.ca](http://BCE.ca).

### Highlights for 2015

The Pension Committee held four meetings in 2015. The Pension Committee communicates regularly and directly with the officers of the Corporation. Time is set aside at each regularly scheduled meeting for the committee members to meet without management.

Highlights of items reviewed and monitored, reported on or recommended by the Pension Committee to the Board in 2015 include the following:

- the performance of the pension funds and the applicable statements of investment policies and procedures and, in particular:
  - revising investment parameters such as the allocation of the fund's equity investments and the overall structuring of the pension fund assets and the associated investment performance benchmarks
  - continuing to monitor the allocation of fund assets between equities and fixed income to align with pension liabilities
- the financial situation and ensuring required funding of the pension plans and, in particular, their sensitivity to the volatility of financial markets and to the applicable valuation discount rates
- the pension integration plans for Bell Media and Bell Aliant and approving the required amendments to those pension plans and investment policies

- the overall structure of the investment process, including the periodic review of the performance of applicable investment managers
- the review of the operating systems (including control systems and procedures for supervising and monitoring the operating systems) in place for carrying out our responsibilities as employer and administrator of the pension plans, pension funds and master trust funds, and
- the transfer of longevity risk for \$5 billion of Bell Canada pension plan liability through a longevity insurance agreement, which further advances BCE's pension de-risking strategy.

The Pension Committee also carries out an annual evaluation of its performance with the Governance Committee, including the review of the adequacy of its charter. Finally, the Pension Committee reports regularly to the Board on its activities.

Report presented March 3, 2016, by:

D.F. Denison, Chair

R.A. Brenneman, R.P. Dexter, K. Lee, P.R. Weiss

## 7.4 Compensation Committee report



R.A. Brenneman  
CHAIR



B.K. Allen



R.E. Brown



I. Greenberg



G.M. Nixon

The Compensation Committee is the human resources committee of the Board. The Compensation Committee assists the Board of Directors in its oversight responsibilities relating to compensation, nomination, evaluation and succession of the President and CEO, other officers and management personnel. In addition, the Compensation Committee oversees the Corporation's health and safety policies and practices. The charter of the Compensation Committee is available in the governance section of our website at [BCE.ca](http://BCE.ca).

Please refer to the section entitled *Executive Compensation*, on page 42, for a description of our compensation philosophy, policies and programs and how our President and CEO, our current CFO, our former CFO and our three other most highly compensated executive officers are remunerated.

All members of the Compensation Committee have a thorough understanding of the principles and policies underlying executive compensation decisions. They acquired this through experience as head of human resources of large publicly-traded corporations or as chair or CEO of sizeable businesses operating within large publicly-traded corporations, as well as through other means. All members serve or have

served on compensation or human resources committees of other public companies or have extensive knowledge of the most important subjects related to executive compensation (such as the review of compensation contracts, leadership and succession planning, the development of incentive plans, the analysis of the compensation market, the financial analysis of compensation plans, pension fund administration, the regulatory environment and the negotiation of employment conditions). The table below demonstrates the breadth and balance of the expertise of the Compensation Committee members by highlighting their five most prominent skills related to compensation and human resources.

NAME	CEO/V.P./CHIEF HR OF OTHER CORPORATION	MEMBER/CHAIR OF HR COMMITTEE	DRAFTING/ REVIEW OF COMP. CONTRACTS	LEADERSHIP AND SUCCESSION PLANNING	DEVELOPMENT/ OVERSIGHT OF INCENTIVES	FINANCIAL AND MARKET ANALYSIS OF COMPENSATION	NEGOTIATION OF EMPLOYMENT CONDITIONS
R.A. Brenneman	X	X		X	X	X	
B.K. Allen	X	X	X	X			X
R.E. Brown	X	X	X	X			X
I. Greenberg	X	X		X	X	X	
G.M. Nixon	X	X		X	X	X	

### Highlights for 2015

The Compensation Committee held six meetings in 2015. At each regularly scheduled meeting, the committee held an in-camera session with no members of management or advisors present.

Highlights of items reviewed, reported on or recommended by the Compensation Committee to the Board in 2015 include the following:

- review of executive compensation philosophy, policies and arrangements. These are further detailed under section 8 entitled *The Board of Directors' Letter to Shareholders* and section 9 entitled *Compensation Discussion & Analysis*
- review and monitoring of the Corporation's exposure to risk related to its executive compensation practices and policies and means to mitigate these risks
- appointment or resignation of officers and the consequent compensation changes to ensure that they are appropriate in relation to both external and internal benchmarks
- review of proposed major changes in organization or talent with the President and CEO
- review of the President and CEO's performance and recommendation of the terms of his compensation to the independent directors of the Board for their approval
- review with the President and CEO of the performance of the other executive officers, including the review of their personal leadership development plans and the determination of their annual short-term incentive awards and other compensation components

- review with the President and CEO of the Corporation's management resources and plans for ensuring appropriate succession for officers and other senior management personnel
- review of benefit plans under the Compensation Committee's authority
- review of the equity programs and grant policy
- determination of equity-based grants for in-year promoted employees and new hires. Key terms of equity-based plans are disclosed under section 9 entitled *Compensation Discussion & Analysis* and section 11 entitled *Compensation of Our Named Executive Officers*
- monitoring of developments related to executive compensation
- monitoring of the "Say on Pay" voting results obtained at the Annual General Shareholder Meeting and related feedback received from shareholders
- review of the share ownership requirement compliance by executive officers and monitoring of interim measures if requirements are not met
- review of this report of the Compensation Committee and the *Compensation Discussion & Analysis* and *Compensation of Our Named Executive Officers* disclosure
- review of our employee survey results
- review of health and safety statistics and compliance with respect to health and safety policies.

The Compensation Committee also carries out an annual evaluation of its performance with the Governance Committee, including the review of the adequacy of its charter. At each regularly scheduled Board meeting, the Compensation Committee, through its Chair, provides a report to the Board on its activities.

### RISK ASSESSMENT

The Committee has evaluated the risk associated with our executive compensation programs and is comfortable that executives are not encouraged to take undue risk on behalf of BCE for personal financial gain. A detailed discussion of our risk assessment can be found in section 9.6 entitled *Compensation risk management*.

### SUCCESSION PLANNING

A critical responsibility of the Compensation Committee is to ensure that a comprehensive succession plan is in place for the Corporation's most senior executive leaders. To achieve this, the committee meets annually with the President and CEO to review and update the succession plan for all executive officers, including the President and CEO position.

The plan identifies potential successors for each executive and highlights any personal development experiences required for each candidate to be fully prepared to take on the position. In addition, if appropriate, the plan identifies any candidates who could assume critical leadership roles in the short term should unexpected events leave such roles vacant earlier than expected.

The executive succession plan is fully integrated with the Corporation's overall succession planning process, which covers all key management positions and ensures a strong pipeline of talent is developed at all levels in the organization. As such, the plan presented to the Compensation Committee is the culmination of an extensive process performed within each business unit and function and integrated at the cross-company level. This includes the identification of key talent, the roles they may be able to assume in the future, and their development plan to prepare for these roles. This may include development moves to other positions, internal or external courses, and close on-the-job mentoring. If no strong internal succession candidates are identified, an external search may be launched. Twice a year, all members of the senior management team are reviewed by the President and CEO and his direct reports in order to provide an integrated and balanced view of talent across the Corporation and to ensure development plans are on track.

In addition to the regular annual review, key executive talent and succession plans are discussed by the Compensation Committee throughout the year, including, for example, as part of the performance reviews used to determine executive compensation.

### DIVERSITY AT THE SENIOR LEADERSHIP LEVEL

The committee believes it is important to have a diverse senior leadership team as this brings depth and breadth of perspective and experience and reflects the diversity of our employees and our customer and shareholder bases. In February 2015, the BCE Board approved a target that women represent at least 25% of non-executive directors by the end of 2017. In 2015, BCE also became a signatory of the Catalyst Accord.

In seeking to foster diversity at the executive officer level (the President and CEO and his most senior direct reports; EVPs), the committee considers factors such as gender, age, and whether an individual is a visible minority or has a disability when making executive officer appointments. With respect to gender diversity specifically, the committee considers the level of representation of women in executive officer positions. However, these factors and considerations will not override the promotion of candidates who possess appropriate skills, experience and leadership abilities. The Corporation and the committee have refrained from setting specific diversity targets (including in respect of gender diversity) to ensure that they identify and select the most capable candidates on the basis of these core qualifications.

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

To further reinforce its commitment to diversity and inclusion, in 2014, Bell created the Diversity Leadership Council to champion diversity and inclusion across Bell. Members are responsible for creating a plan to further embed diversity and inclusion into their business units, to report progress and ultimately improve representation within all BCE lines of business.

As of December 31, 2015, women represented 14% (2/14) of executive officers and 26% of all executive positions (vice-president and above), across all of the Corporation's major subsidiaries. This is compared to 15% (2/13) of executive officers and 25% of all executive positions in 2014.

## Services rendered by independent compensation consultants

Willis Towers Watson was retained by management in 2015 to provide benchmarking studies and market insights with respect to compensation of executive officers. Compensation components (base salary, target annual short-term incentive, long-term incentives, perquisite allowance and pension) were evaluated against our comparator group. Willis Towers Watson was first retained by management in 1986. Willis Towers Watson has historically been engaged directly by management and from time to time management will provide an overview of Willis Tower Watson's findings relevant to executive compensation to the committee.

### COMPENSATION ADVISORY SERVICES – RELATED FEES

The table below summarizes the aggregate fees paid to the compensation advisors for services they provided in 2014 and 2015.

ADVISOR	EXECUTIVE COMPENSATION RELATED FEES (\$)		ALL OTHER FEES (\$)	
	2014	2015	2014	2015
Hugessen Consulting Inc. (Hugessen)	20,431 <sup>(1)</sup>	–	–	–
Willis Towers Watson	205,341	86,112	42,622	133,733 <sup>(2)</sup>

(1) For services provided by Hugessen to the Governance Committee related to the review of compensation for the Corporation's non-management directors.

(2) For services provided by Willis Towers Watson to management related to pension asset management advisory services.

### INDEPENDENCE OF THE COMPENSATION CONSULTANTS

None of our directors or executive officers has any affiliation or relationship with Hugessen or Willis Towers Watson. Hugessen does not provide any services to management directly without the prior consent of the Compensation Committee. No such services were provided by Hugessen in 2014 or 2015. The committee is not required to pre-approve services that Willis Towers Watson provides to the Corporation at the request of management.

Hugessen and Willis Towers Watson have both confirmed that the fees received from BCE in 2014 and 2015, relative to the aggregate fees received from all of their clients in 2014 and 2015, are not of such magnitude as to compromise their independence from BCE or its management.

The executive compensation recommendations the Compensation Committee makes to the Board are the responsibility of the committee and may reflect factors and considerations other than the information and recommendations provided by the Compensation Committee's consultant.

Report presented on March 3, 2016, by:

**R.A. Brenneman, Chair**

**B.K. Allen, R.E. Brown, I. Greenberg, G.M. Nixon**

# Executive Compensation

This section describes our compensation philosophy, policies and programs and provides the details on the compensation of our named executive officers (NEOs).

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# 8 The Board of Directors' Letter to Shareholders

## 2015 Highlights

- Compensation policies or components remained stable in 2015
- Strong corporate results and a number of organizational changes, including retirement of long-serving CFO, Siim Vanaselja, are reflected in 2015 compensation decisions at executive officer level

Dear fellow shareholders:

On behalf of the Compensation Committee and the Board, we are pleased to share with you our approach to executive compensation, including the framework we have used to make our compensation decisions for 2015.

**96%**  
Say on Pay  
approval

Our annual "Say on Pay" advisory vote once again received overwhelming support, with 95.56% of the votes cast in favour of our executive compensation program. We appreciate this support and

believe it reflects broad and deep shareholder endorsement that our compensation philosophy aligns the interests of shareholders and management, especially by incorporating our dividend growth strategy into our long-term incentive performance criteria.

In 2015, the dividend was increased by 5.3% to reach \$2.60. With the announcement of another increase of 5% in 2016, this will bring the annual dividend payout to \$2.73. The 2016 dividend increase represents the twelfth increase to BCE's annual common share dividend, an 87% increase, in the past seven years.

In 2015, we comfortably achieved all 2015 financial guidance targets. Revenue increased 2.2% and adjusted EBITDA grew 3.0%, both measures ahead of plan and at mid-point of financial guidance. Higher adjusted EBITDA margin of 39.7% reflects continued strong wireless profitability, positive wireline growth and efficient cost containment. Adjusted EPS of \$3.36 in 2015, near the high end of guidance range, reflects higher adjusted EBITDA driven by the increased contribution of Bell's growth services. The 9.3% growth in free cash flow supported a 16.9% capital intensity ratio and the 2015 dividend increase.

## Our approach to executive compensation

BCE is focused on a pay-for-performance approach to compensation for all team members, including our executive team. This philosophy supports the execution of Bell's 6 Strategic Imperatives (Improve Customer Service, Leverage Wireline Momentum, Achieve a Competitive Cost Structure, Accelerate Wireless, Invest in Broadband and Expand Media Leadership) and our commitment to deliver ongoing and stable returns to shareholders.

**Our approach to compensation is to achieve one ultimate goal: to grow long-term value for you**

Our executive compensation policies and programs are designed to attract and retain the highest calibre of talent at a competitive cost to the Corporation and to ensure they are motivated to pursue our goal to grow long-term shareholder value.

We recognize that long-term growth and value creation requires taking an acceptable level of risk and we ensure our compensation policies and practices reward executives for short-, medium- and long-term decision making and performance and do not encourage undue risk taking or produce excessive compensation levels. We are committed to ensuring there is a strong and direct link between our financial results, shareholder value creation and the resulting executive compensation. This alignment between shareholder value creation and the compensation of our executives is demonstrated in a new addition to our proxy this year, the CEO look-back table, which can be found in section 10 entitled *President and CEO Compensation*.

## Our key compensation decisions for 2015

Following a number of changes in our compensation programs in 2014, including the extension of our clawback policy to executive officers, our compensation programs remained largely unchanged in 2015.

### BASE SALARY

Our policy is for base salaries to be positioned at the 50th percentile of our comparator group. Salaries are reviewed from time to time and adjusted to reflect increases in responsibilities and market trends. In 2015, due to changes in the senior management team, aggregate NEO salaries decreased by 1% over the 2014 levels. Details about any changes to base salaries of 2015 NEOs can be found in section 11 entitled *Compensation of Our Named Executive Officers*.

### ANNUAL SHORT-TERM INCENTIVE PLAN

Annual short-term incentive targets remained at their 2014 levels of 100% of base salary for all of our executive officers and 150% for our President and CEO.

Our annual short-term incentive plan is designed to reward achievement of a range of critical financial and operating metrics. The financial metrics – adjusted EBITDA, revenue and free cash flow – are key

indicators widely used to measure financial performance in the communications industry across North America. These metrics have been used in the plan since 2009. The operating metrics continued to be based on the 6 Strategic Imperatives that guide the continued strength of the Bell brand, our improved competitiveness and market performance and an enhanced ability to return value to shareholders. This combination of well-established financial and operating measures aligned with our strategy provides the team with a clear and motivating compensation structure.

**102%**  
2015 Corporate  
performance index

In 2015, the Corporation demonstrated growth across all financial metrics and achieved all financial guidance targets. Revenue and adjusted EBITDA both exceeded internal targets. Free cash flow was slightly below expectations, while we made significant progress on the 6 Strategic Imperatives. The continued momentum of the Fibe TV

service, strength of the wireless and media businesses, the favourable impact of the privatization of Bell Aliant and progress on customer service led to a strong year for BCE. Consequently, we were pleased to approve a corporate performance index of 102% out of a possible 150%. This index accounts for 70% of the annual short-term incentives paid out to executive officers, while personal performance accounts for the remaining 30%.

**100%**  
Attainment of 2013  
PSU vesting goals

in 2015 achieved 100% payout due to the fact that actual free cash flow per share came in above target, resulting in a payout ratio of 72.3% of free cash flow (i.e. within the target dividend payout ratio of between 65% – 75% of free cash flow available to common shareholders).

#### LONG-TERM INCENTIVE PLAN

Our long-term incentive plan did not change in 2015. Executive grants comprise 50% RSUs, 25% PSUs and 25% option grants. The 2013 PSU grants which vested

## Organizational changes in 2015

In 2015, a number of changes occurred at the executive level, all crucial to ensuring our company remains a strong and confident competitor in every sector of Canadian communications. These changes are reflected in the compensation decisions described for our 2015 NEOs later in this document.

Our former CFO, Siim Vanaselja, retired in 2015 after a highly successful career at BCE that spanned more than two decades. After an extensive review of both internal and external potential candidates, Glen LeBlanc, CFO of Bell Aliant, was selected as his successor and became CFO of BCE and Bell Canada upon Mr. Vanaselja's retirement in June 2015.

The scope of Wade Oosterman's role was expanded to include Bell Media and he was appointed Group President of Bell and BCE, with the Presidents of Bell Media, Bell Mobility and Bell Residential & Small Business reporting directly to him. Mr. Oosterman also continues in his role as Bell's Chief Brand Officer.

Mary Ann Turcke was appointed President of Bell Media, responsible for all of the company's national operations, including TV, radio, digital and out of home. Ms. Turcke was formerly Group President, Media Sales,

Local TV and Radio for Bell Media. Blaik Kirby was promoted to President of Bell Mobility. He was previously Chief Marketing Officer (CMO) for Bell's wireless business unit. Rizwan Jamal was appointed President of Bell Residential & Small Business. He was formerly CMO for Bell Residential Services.

With the integration of customer service operations across the company in 2015, John Watson, previously EVP of Customer Service and now EVP of Customer Experience, added accountabilities for Field Services and Bell Aliant, more than doubling the span of control and scope in his role. Stephen Howe also added Bell Aliant to his portfolio this year and, with responsibility for wireless, wireline, TV and media, has one of the broadest scopes of a Chief Technology Officer in Canada.

As noted in section 11 entitled *Compensation of Our Named Executive Officers*, compensation adjustments were made for Wade Oosterman, John Watson and Stephen Howe in 2015 to recognize the scope of their roles and ensure their compensation remains competitive with their counterparts at our key competitors. Glen LeBlanc also received an adjustment to his compensation upon his appointment as CFO.

## Looking ahead to 2016

Although we continually monitor compensation levels and trends in executive compensation, we are confident that our current compensation structure is competitive and meets the objectives of our compensation philosophy and, therefore, is expected to remain largely unchanged in 2016.

## Conclusion

The responsibility for executive compensation rests with the Board, and we confirm that we fully understand the long-term implications of the executive compensation decisions we make and the programs we approve.

Members of the Compensation Committee will be present at the meeting to answer any questions you may have about executive compensation. Alternatively, shareholders can write to the Corporate Secretary's Office or the Investor Relations Group at 1 Carrefour Alexander-Graham-Bell, Building A, 7th floor, Verdun, Québec, Canada, H3E 3B3 or call 1-800-339-6353. Our approach to executive compensation supports the

execution of the Corporation's strategy, and we remain committed to developing the compensation policies and programs that will continue to produce the results that deliver value to you, our shareholders.

Thomas C. O'Neill  
Chair of the Board

Ronald A. Brennerman  
Chair of the  
Compensation Committee

March 3, 2016

# 9 Compensation Discussion & Analysis

This section describes our compensation philosophy, policies and programs and discusses the compensation provided in 2015 to our President and CEO, our current CFO, our former CFO, and our three other most highly compensated executive officers. In 2015 these executive officers continued to grow and contribute to the success of Bell. They are referred to in this document as the “NEOs” and are as follows:

- George A. Cope, President and CEO
- Glen LeBlanc, EVP and CFO
- Siim A. Vanaselja, Former EVP and CFO
- Wade Oosterman, Group President Bell Canada and BCE and Chief Brand Officer
- John Watson, EVP Customer Experience
- Stephen Howe, EVP and Chief Technology Officer

Effective June 26, 2015, Mr. Vanaselja retired after serving more than 14 years as Bell’s long-time CFO. At the same time, Mr. LeBlanc was appointed CFO after having the benefit of working very closely within the finance team and with Mr. Vanaselja since the announcement of the CFO transition in late 2014.

## 9.1 Overall objective of the executive compensation program

Our executive compensation is based on a pay-for-performance philosophy. Its overall goal is to create sustainable value for shareholders by:

- attracting, motivating and retaining the executive officers needed to drive the business strategy; and
- rewarding them for financial and operating performance and leadership excellence.

## 9.2 Setting executive compensation

The roles of management and the Compensation Committee in setting and administering executive compensation are described below.

MANAGEMENT	COMPENSATION COMMITTEE
<ul style="list-style-type: none"><li>• Proposes the elements of a compensation program that supports a performance culture without undue risk taking</li><li>• Implements the processes required to administer the program</li><li>• Manages the process to establish performance objectives and to measure individual and corporate performance against set objectives</li><li>• Provides the Compensation Committee with an assessment of the results achieved by each of the executive officers, as well as an assessment of the leadership attributes each demonstrates in fulfilling his or her roles and responsibilities</li><li>• Recommends to the Compensation Committee the base salary as well as the annual short- and long-term incentive award levels for the officers of the Corporation</li><li>• Proposes the succession plan for the officers of the Corporation</li><li>• Continuously monitors the regulatory environment and market practices and informs the Compensation Committee about any developments</li></ul>	<ul style="list-style-type: none"><li>• Oversees, and recommends for approval by the Board, the Corporation’s executive compensation philosophy, policies, programs and grants of equity-based compensation</li><li>• Reviews with the President and CEO any proposed major changes in organization or personnel, including the succession plan</li><li>• Reviews any proposed major changes in the Corporation’s benefit plans and recommends for approval any change requiring Board approval</li><li>• Reviews annually with the members of the Board the performance of the President and CEO and other executive officers</li><li>• Recommends annually to the members of the Board all forms of compensation for the President and CEO and other officers</li><li>• Reviews the Corporation’s executive compensation disclosure for inclusion in the Corporation’s public disclosure documents</li><li>• Reviews and monitors the Corporation’s exposure to risk associated with its executive compensation and policies and identifies practices and policies to mitigate such risk</li><li>• Seeks advice from independent compensation consultants on emerging trends in executive compensation and, when considered advisable by the committee, other professional advice to enable the committee to function independently of management</li></ul>

### Benchmarking and comparator group

To ensure the competitiveness of the compensation provided to our executives, the Compensation Committee regularly reviews the compensation for similar executive positions at other companies with whom we compete for talent (our comparator group).

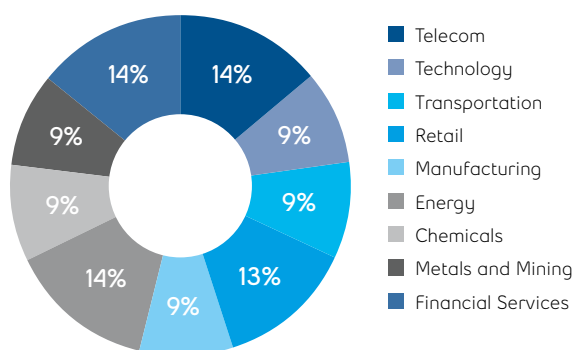
In 2015, Willis Towers Watson conducted a benchmarking study of all executive positions, including the NEOs, using our comparator group presented below. The results of the assessment showed that our executive pay is well aligned to our executive compensation policy, which targets total compensation to be positioned at the 60th percentile of our comparator group.

Our comparator group is designed to be representative of the Canadian marketplace while avoiding overweighting any particular industry. As a result, we do not include more than three companies from any particular industry. We regularly review the composition of our comparator group to ensure that the companies continue to reflect our context in terms of size, revenues, market capitalization and complexity. The composition of the comparator group was last revised in 2014.

The Compensation Committee uses our comparator group to benchmark the value of executive total compensation, base salary, short- and long-term incentives, benefits, retirement programs and perquisites. The comparator group of 22 companies, the rationale for its use and comparative financial information are outlined in the two tables below.

DESCRIPTION	RATIONALE FOR USE	LIST OF COMPANIES	
Represents a select sample of the largest Canadian companies based on revenues and market capitalization and offers a similar representation of industries	Ensures the competitiveness of our executive compensation by comparing it to that offered at companies that are similar to us in terms of complexity, including size, revenues and market capitalization, and that compete with us for key talent. The balanced representation of industries ensures that our comparator group is representative of the marketplace in which we compete for talent	<ul style="list-style-type: none"> <li>• Agrium Inc.</li> <li>• Air Canada</li> <li>• Alimentation Couche-Tard Inc.</li> <li>• Barrick Gold Corporation</li> <li>• BlackBerry Inc.</li> <li>• Bombardier Inc.</li> <li>• Canadian National Railway Company</li> <li>• Canadian Tire Corp. Ltd.</li> <li>• CGI Group Inc.</li> <li>• Enbridge</li> <li>• Loblaw Companies Ltd.</li> <li>• Magna International Inc.</li> </ul>	<ul style="list-style-type: none"> <li>• Manulife Financial Corporation</li> <li>• Potash Corporation of Saskatchewan Inc.</li> <li>• Quebecor Inc.</li> <li>• Rogers Communications Inc.</li> <li>• Royal Bank of Canada</li> <li>• Suncor Energy Inc.</li> <li>• Teck Resources Limited</li> <li>• Telus Corporation</li> <li>• The Toronto-Dominion Bank</li> <li>• TransCanada Corporation</li> </ul>

## COMPARATIVE FINANCIAL INFORMATION AND INDUSTRY DISTRIBUTION OF COMPARATOR GROUP



BCE – DECEMBER 31, 2015 RESULTS

TOTAL REVENUE (\$M)	MARKET CAPITALIZATION (\$M)	NET INCOME (\$M)	DIVIDEND YIELD	EMPLOYEES
21,514	46,276	2,730	4.9%	49,968

The comparator group information is just one of the factors the Compensation Committee takes into consideration when making recommendations to the Board with regard to target executive compensation. The Compensation Committee also considers:

- the relative pay levels among its most direct industry competitors
- the relative size, scope and complexity of comparator businesses
- BCE's relative performance against these comparators
- internal equity across the Corporation and between different levels within the Corporation.

A similar approach and philosophy to setting target compensation is used for all levels within the organization to ensure competitive and fair compensation.

### TOTAL REVENUE (\$M)



### MARKET CAPITALIZATION (\$M)



### NET INCOME (\$M)



### DIVIDEND YIELD



### EMPLOYEES



◆ BCE Ranking

## 9.3 Compensation policy and components

**60th**

Percentile-target compensation positioning

To achieve our objective, we use three key elements of compensation with an aggregate target value positioned at the 60th percentile of what is paid in the competitive market for similar positions, with greater focus on pay for performance and mid- and long-term components. Consideration is also given to pay levels among our most direct competitors within our comparator group and their relative size, scope and complexity.

	PRIMARY OBJECTIVE	WHAT DOES THE COMPENSATION ELEMENT REWARD?	HOW IS THE AMOUNT OR TARGET DETERMINED?	HOW DOES THE COMPENSATION ELEMENT FIT INTO THE OVERALL OBJECTIVE?	FORM OF PAYMENT
Annual Base Salary	Provides a market-competitive fixed rate of pay	The scope and responsibilities of the position and the specific skills needed to fulfill them	Set at the <b>50th percentile</b> of what is paid in the competitive market for similar positions	Provides a vehicle to attract and retain skilled executives who can deliver on our overall goal while keeping the emphasis on rewarding actual performance	Cash
Annual Short-Term Incentive	Encourages performance against our annual corporate and individual objectives	The achievement of our annual objectives	Set at the <b>75th percentile</b> of what is paid in the competitive market for similar positions. Payouts are capped at 2 times the target award	Provides a vehicle to reward actual performance against objectives that are designed to support our overall corporate targets	Choice of cash and/or DSUs <ul style="list-style-type: none"> <li>• Payment in DSUs further aligns the interests of executives and shareholders as DSUs are payable only upon cessation of employment</li> </ul>
Equity-Based Long-Term Incentive Plan	Aligns long-term interests of executives and shareholders	The creation of shareholder value	Brings total compensation <sup>(1)</sup> to the <b>60th percentile</b> of what is paid in the competitive market for similar positions. Annual grant awards are capped	Provides a vehicle to attract and retain skilled executives while rewarding the achievement of our overall goal of creating sustained shareholder value	RSUs (50%) <ul style="list-style-type: none"> <li>• Aligns executives' interests to share return growth</li> </ul> PSUs (25%) <ul style="list-style-type: none"> <li>• Aligns executives' interests to dividend growth and their compensation to the Corporation's performance</li> </ul> Stock Options (25%) <ul style="list-style-type: none"> <li>• Aligns executives' interests with share price growth and their compensation to the Corporation's performance</li> </ul>

(1) Total compensation comprises base salary and annual short-, medium- and long-term incentives.

We also offer competitive pension, benefits and perquisites to promote the hiring and retention of qualified executives. These components are evaluated regularly as part of our benchmarking study. They are discussed in section 9.5 entitled *2015 Compensation elements* under the heading *Pension, benefits and perquisites*.

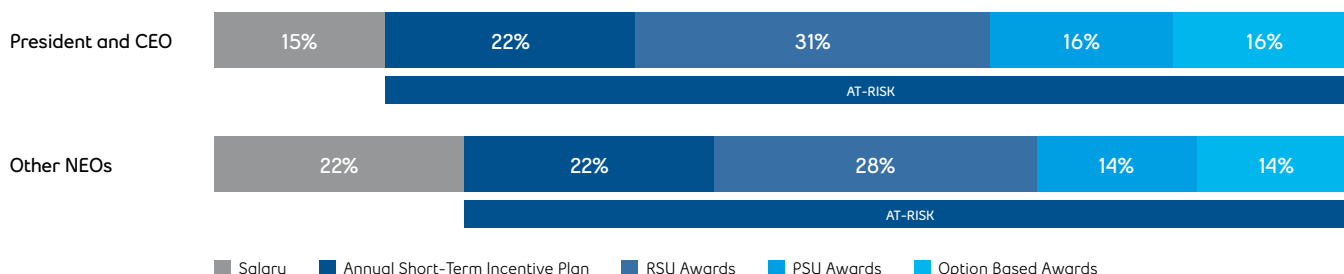
## 9.4 2015 Named executive officers' target pay at risk

**80%**

2015 average NEO target pay at risk

Our commitment to aligning pay to performance leverages a compensation mix that includes short-, medium- and long-term components. The graph below illustrates that we emphasize pay at risk over fixed pay to ensure that executive remuneration is aligned with corporate performance over the short- and long-term. On average, 80% of target NEO compensation is at risk.

### 2015 TARGET PAY AT RISK<sup>(1)</sup>



(1) Based on 2015 actual base salary. At-risk components are based on target levels. Excludes pension and other compensation elements.

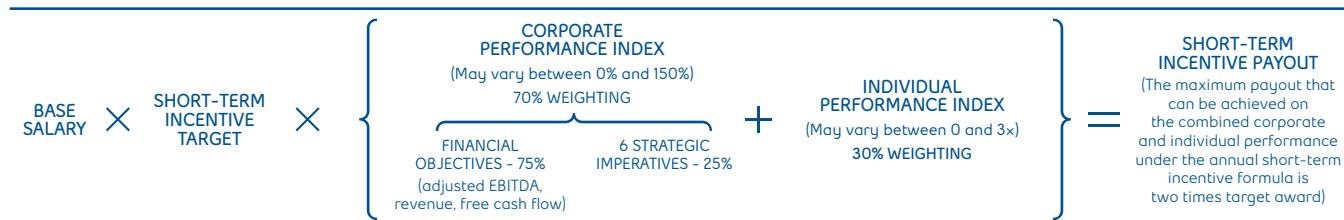
## 9.5 2015 Compensation elements

### Base salaries

The Compensation Committee recommends for Board approval the base salary of each executive officer within a clearly defined salary range that reflects the scope and responsibilities of the position, the executive officer's experience, the positioning of his or her base salary and total compensation versus the comparator group and internal equity. The mid-point of the salary range corresponds to the median of the salary paid by our comparator group for similar positions. Typically, the salary range is within 20% of the mid-point.

To ensure individual accountability and higher levels of performance, base salaries offered to all executives have been adjusted only to reflect sustained performance levels as well as an increase in responsibilities or job scope.

### Annual short-term incentive



The annual short-term incentive applicable to the President and CEO and all executive officers has two components:

- In order to reinforce our One Company/One Team concept, 70% of the executive officers' annual short-term incentive award is based on the achievement of common corporate objectives. They are based on financial targets and quantitative strategic objectives related to each of our 6 Strategic Imperatives.
- In order to assess and reward leadership behaviours demonstrated by the executive in the achievement of business-unit and overall corporate results, 30% of the executive officers' annual short-term incentive award is based on individual performance.

#### SHORT-TERM INCENTIVE TARGETS

The Compensation Committee reviews annual short-term incentive targets for our executive officers each year as well as upon hire, promotion or when there are significant changes in the responsibilities of an executive officer. When making a recommendation to set or increase the incentive target of an executive officer, the Compensation Committee takes into consideration the scope of the executive officer's responsibilities, the executive officer's base salary, internal equity and the positioning of his or her annual short-term incentive target compared to market.

#### CORPORATE PERFORMANCE INDEX

Corporate performance objectives account for 70% of the weighting of the annual short-term incentive award. At the beginning of each year, the Compensation Committee recommends for approval by the Board, the Corporation's financial and operating objectives used to determine the corporate performance objectives. The Compensation Committee reviews corporate performance from year to year, ensuring a consistent difficulty in achieving target results in light of the Corporation's progress and the competitive environment.

At the end of each year, the Compensation Committee and the Board evaluate the performance of the Corporation against the corporate performance objectives to determine the corporate performance index.

This can vary between 0% and 150%, with a target performance level of 100%. The Compensation Committee may, at its discretion, recommend to the Board a different payout level from that suggested by the quantitative results to take into account unforeseen occurrences and non-recurring events and also to ensure that the payout is appropriate versus actual performance in the Compensation Committee's judgment. Over the past six years, the Board exercised this discretion twice. In 2009, the revenue results were lowered by 5% as a result of unanticipated revenues from acquisitions and in 2010, the corporate performance factor was reduced by 5% as a reflection of challenges in customer service. In 2015, no discretionary adjustments were made.

#### Financial objectives

Financial objectives (adjusted EBITDA 40%, revenue 20% and free cash flow 15%) account for 75% of the corporate performance index. The Compensation Committee sets a threshold, a low, a target and a stretch value for each financial objective. The payout varies between 0% and 150% depending on the performance, as illustrated in the table below.

Target values are set within the financial guidance ranges provided to the investment community, which ensures that payouts are well aligned to the performance expectations of our shareholders. A payout exceeding the target award requires exceptional performance versus market expectations on these measures and versus other companies in the sector.

OVERALL PERFORMANCE	THRESHOLD	LOW	TARGET	STRETCH
Payout <sup>(1)</sup>	0%	50%	100%	150%

(1) The overall performance takes into account the results and relative weight of each financial objective. Results achieved between these values are interpolated.



## 6 Strategic Imperatives

The remaining 25% weighting of the corporate performance index evaluates achievement of the Corporation's operating objectives, our 6 Strategic Imperatives:

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

Progress on the 6 Strategic Imperatives is evaluated by measuring performance against a set of operating metrics, many of which are commonly used across the industry. Each strategic imperative carries an equal weight. The following ranking scale applies and the total out of 36 possible points is then converted to a result out of 25%:

POINTS	0	1	2	3	4	5	6
Results	Failed	Significantly Below	Below	Slightly Below	Met	Exceeded	Stretched

The cumulative total of points earned for the 6 Strategic Imperatives determines the payout according to the following table:

SUM OF POINTS	THRESHOLD 0 POINTS (6 X 0 POINTS)	TARGET 30 POINTS (6 X 5 POINTS)	STRETCH 36 POINTS (6 X 6 POINTS)
Payout <sup>(1)</sup>	0%	100%	150%

(1) The results achieved between these values are interpolated.

The Board and the Compensation Committee believe that these operating objectives were set for 2015 at an ambitious level but could be achieved under normal economic and market conditions. Payout at target may only be achieved by exceeding these operating objectives.

The following illustration indicates the corporate performance objectives employed for setting annual short-term incentive awards for 2015, and the rationale for their use.

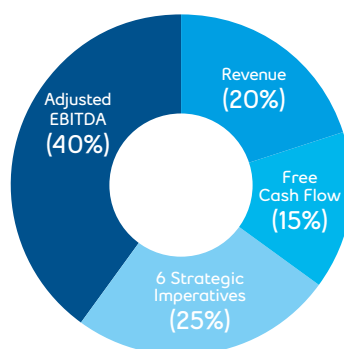
**BCE's incentive plans are structured to maximize shareholder value. Share price and capital returns are driven by operational and financial results (revenue, adjusted EBITDA and free cash flow), dividend growth within our free cash flow payout policy range and general market conditions. These financial and operating goals largely result from the successful execution of the Corporation's 6 Strategic Imperatives**

### ADJUSTED EBITDA<sup>(1)</sup> 40%

Industry-wide measure of in-year operational profitability. Measures executives' operational efficiency and their success in ensuring the value from revenues flows to the enterprise value of the Corporation.

### FREE CASH FLOW<sup>(2)</sup> 15%

Provides an assessment of our executives' success in running the business as a whole and in generating cash that may be returned to shareholders or further invested in the business. It is also commonly used as a valuation measure for companies in the industry.



### REVENUE 20%

A simple measure of the total value of the products and services sold by the Corporation. Revenue provides a relevant measure of our executives' ability to design and sell attractive products and services, to compete in the market, to attract customers and to capture value from those products and services.

### 6 STRATEGIC IMPERATIVES 25%

The strategic imperatives focus our efforts on achieving our goal of being recognized by customers as Canada's leading communications company. Their assessment includes many operating metrics typically used in the industry. Progress made against the 6 Strategic Imperatives provides a relevant measure of our executives' success in executing on the operating plan required to achieve our goal.

(1) The term adjusted EBITDA does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. We define adjusted EBITDA as operating revenues less operating costs, as shown in BCE's consolidated income statements. We use adjusted EBITDA to evaluate the performance of our businesses as it reflects their ongoing profitability. We believe that certain investors and analysts use adjusted EBITDA to measure a company's ability to service debt and to meet other payment obligations or as a common measurement to value companies in the telecommunications industry. We believe that certain investors and analysts also use adjusted EBITDA to evaluate the performance of our business. Adjusted EBITDA also is one component in the determination of short-term incentive compensation for all management employees. Adjusted EBITDA has no directly comparable IFRS financial measure.

(2) The term free cash flow does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. For 2015, we define free cash flow as cash flows from operating activities excluding acquisition and other costs paid, which include signification litigation costs and voluntary pension funding, less capital expenditures, preferred share dividends and dividends, paid by subsidiaries to non-controlling interest. We consider free cash flow to be an important indicator of the financial strength and performance of our businesses because it shows how much cash is available to pay dividends, repay debt and reinvest in our Corporation. We believe that certain investors and analysts also use free cash flow to value a business and its underlying assets. We believe that certain investors and analysts use free cash flow to evaluate the financial strength and performance of our business. The most comparable IFRS financial measure is cash from operating activities.

**102%**2015 Corporate  
performance index

The following table outlines the corporate objectives and results achieved for 2015.

COMPONENT	WEIGHTING	CALCULATED PAYOUT	2015 TARGET	2015 RESULTS	COMMENTS
Adjusted EBITDA	40%	Payout: 50% Min: 0% Max: 60%	\$8,510 million	\$8,551 million	Bell reported adjusted EBITDA growth of 3.0% for 2015, which was in line with our financial guidance range and exceeded our internal targets. Results were driven by strong performance across all our segments.
Revenue	20%	Payout: 23% Min: 0% Max: 30%	\$21,458 million	\$21,514 million	Bell reported revenue growth of 2.2% for 2015, which was in line with our financial guidance range and exceeded our internal targets, led by strong top-line results at Bell Wireless and Bell Media that drove service revenue growth of 2.2%. This was partly offset by a 0.5% year-over-year decline at Bell Wireline, due to the impact of continued slow economic growth and competitive pricing pressures on service and product revenues in Bell Business Markets.
Free Cash Flow	15%	Payout: 6% Min: 0% Max: 22.5%	\$3,085 million	\$2,999 million	BCE reported free cash flow within our financial guidance range but slightly below our internal targets mainly due to higher capital investment in our networks. Growth of 9.3% year-over-year for 2015 was driven largely by higher adjusted EBITDA, lower capital expenditures, and the favourable impact of the privatization of Bell Aliant, partly offset by a decrease in cash flow from working capital.
Strategic Imperatives Progress	25%	Payout: 23% Min: 0% Max: 37.5%	Various	N/A	The Board approves a scorecard of approximately 30 operating metrics to monitor the progress against the strategic imperatives. Considerable progress was made on each imperative and expectations were exceeded in most cases. In addition to the strong performance in the Wireless, Wireline and Media sectors, strong results were also achieved in the areas of Investment in Broadband Services, Improve Customer Service and Achieving a Competitive Cost Structure. Further details may be found under section 10 entitled <i>President and CEO Compensation</i> .
<b>Total</b>	<b>100%</b>	<b>102%</b>			

The financial results for 2015, along with the progress made against the 6 Strategic Imperatives, were reviewed by the Compensation Committee against the set of financial and operating objectives used for setting annual short-term incentive awards. Based on their assessment, the Compensation Committee recommended, and the Board approved, a corporate payout index of **102%**.

## INDIVIDUAL PERFORMANCE INDEX

**2.1**Average 2015  
NEO individual  
performance index

In order to recognize and reward individual contribution, 30% annual short-term incentive for executive officers is based on individual performance, which has two dimensions.

The first dimension is the achievement of results measured against the pre-determined business unit objectives. At the beginning of the year, the Compensation Committee reviews the President and CEO's individual performance goals for that year and recommends them to the Board for approval. Our President and CEO's goals, as well as those of our other executive officers, are designed to support the execution of the 6 Strategic Imperatives and thereby create value for shareholders. For further details on our President and CEO's key accomplishments and results for 2015, refer to section 10 entitled *President and CEO Compensation* on page 57.

The other dimension is the demonstration of the leadership attributes required to achieve those results. These include people leadership attributes that serve to build and leverage talent and drive team

effectiveness, along with strategic leadership attributes that reinforce the transformation of the business and the execution of the strategy. Once the year is completed, the Compensation Committee and the independent directors of the Board assess the individual performance and leadership of the President and CEO. In addition, the President and CEO provides the Compensation Committee with his assessment of the individual performance and leadership of the other executive officers. Taking into account all the information provided, including the recommendations of the President and CEO, the Compensation Committee makes an informed judgment and recommends for Board approval the individual performance index (between 0 and 3x) for each of the executive officers. This multiplier index applies on 30% of the total target bonus only.

In 2015, individual performance indexes for the NEOs ranged from 1.25x to 3.0x, with an average index of 2.1x. Combined with the corporate performance factor of 102%, the 2015 annual short-term incentive awards for our NEOs ranged from \$300,658 to \$3,389,400, with an average payout of \$1,237,973. Please consult the individual NEO biographies in sections 10 and 11 for greater detail.

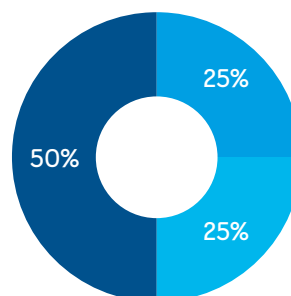
## Equity-based compensation

### LONG-TERM INCENTIVE PLAN

Our long-term incentive plan is designed to reward the creation of value for our shareholders while providing a vehicle to attract and retain talented and skilled executives. The long-term incentive plan also plays a crucial role in aligning variable compensation with the appropriate risk time horizon and accountability for long- and medium-term decisions. Being 100% equity-based, our long-term incentive plan's value to the executive is very much dependent on increasing share-price performance, which in turn benefits all shareholders. Furthermore, the PSU component of the long-term incentive plan rewards the achievement of cash flow growth targets that enable BCE to grow its dividend, which also aligns with shareholders' interests. Similar to the 2012, 2013 and 2014 grants, the 2015 grants under our long-term incentive plan were allocated 50% in RSUs, 25% in PSUs and 25% in stock options.

Below are the key terms that apply to each component of the long-term incentive plan:

RSUs  
100% vesting  
at the end of  
three years



PSUs  
Vesting at the end  
of three years  
contingent on free  
cash flow to enable  
dividend growth

STOCK OPTIONS  
100% vesting at  
the end of three  
years. Option term:  
seven years

ELEMENT	RSUs	PSUs	STOCK OPTIONS
Shareholder interest alignment	RSUs align executives' and shareholders' interests in share return growth. Time vesting also supports the retention of executives to better enable the Corporation to execute its long-term strategy.	PSUs align executives' and shareholders' interests in dividend growth and their compensation to the Corporation's performance. Multi-year vesting also supports the retention of executives to better enable the Corporation to execute its long-term strategy.	Stock options align executives' and shareholders' interests in share price growth and their compensation to the Corporation's performance. Multi-year vesting also supports the retention of executives to better enable the Corporation to execute its long-term strategy.
Payout range (as a % of the grant award)	0% to 100%	0% to 125%	No defined payout range, payouts are dependent on the difference between the grant price and the exercise price.
Defined limit on annual grant levels	Yes		
Term	Three years		Seven years (10-year maximum under the plan text)
Vesting type	Three-year cliff vesting		
Vesting date for 2015 grants	December 31, 2017		February 23, 2018 (three years from the date of grant)
Vesting criteria	Being employed by BCE or Bell on the vesting date	Being employed by BCE or Bell on the vesting date. To achieve 100% vesting, earnings growth must be sufficient to provide the Board with the ability to increase the dividend by a target compound annual dividend growth rate over the three-year performance period while keeping the dividend payout ratio between 65% and 75% of the free cash flow available to common shareholders. Pro-rated payment is made if the target is only partially attained.	Being employed by BCE or Bell on the vesting date.
Dividend equivalents	Credited as additional units, at the same rate as dividends declared on BCE common shares		None
Methods of payment <sup>(1)</sup>	Cash, BCE common shares or DSUs		BCE common shares when options are exercised

ELEMENT	RSUs	PSUs	STOCK OPTIONS
Pricing at time of grant	Conversion from dollar value to units made using the volume weighted average of the trading price per common share for the last five consecutive trading days ending immediately on the last trading day prior to the effective date of the grant and rounded up to the nearest unit.		Higher of the volume weighted average of the trading price per common share of a board lot of common shares traded on the Toronto Stock Exchange: 1) on the trading day immediately prior to the effective date of the grant, or if at least one board lot of common shares has not been traded on such day, then the volume weighted average of the trading price per common share of a board lot of common shares for the next preceding day for which at least one board lot was so traded; and 2) for the last five consecutive trading days ending immediately on the trading day prior to the effective date of the grant.
Clawback	The President & CEO and all EVPs are subject to a clawback clause detailed under section 9.6 entitled <i>Compensation risk management</i> .		Option holders will lose all of their unexercised options if they engage in prohibited behaviours after they leave our Corporation. This includes using our confidential information for the benefit of another employer. In addition, the option holder must reimburse the after-tax profit realized on exercising any options during the six-month period preceding the date on which the prohibited behaviour began.

(1) At any time, the Compensation Committee may require that a participant receive a long-term incentive payment in BCE common shares or in DSUs as an interim measure to help the participant reach his/her mandatory share ownership requirement.

The Compensation Committee may also recommend special grants to recognize specific achievements or, in some cases, to retain or motivate executive officers and key employees. There were no special grants in 2015.

Information on change in control and termination provisions applicable to stock options can be found under section 11.5 entitled *Termination and change-in-control benefits*.

The Corporation uses the fair value method of accounting for equity-based compensation.

### PSU PAYOUTS

Since the PSU plan's inception in 2011, three payout cycles have occurred. The 2011, 2012 and 2013 PSU grants all vested at 100% as the earnings level attained during the performance cycles were more than sufficient to attain the targeted cumulative compound dividend growth rate to maintain the dividend payout ratio within the policy range of 65%-75%.

The PSU grants prior to 2014 had a maximum payout level of 100%. The 2014 and 2015 PSU grants have a maximum payout of 125% to reinforce the incentive to outperform and reflect current market practices in PSU design.

For further details on each NEO's 2015 PSU award, see section 11.1 entitled *Summary compensation table* on page 65 or refer to the detailed NEO biographies in sections 10 and 11.

### DSU PLAN

The deferred share unit (DSU) plan is designed to further align the interests of the executive officers with those of the shareholders by providing a mechanism for the executive officers to receive incentive compensation in the form of equity that they must hold until they leave the company. Executive officers and other key employees of the Corporation and those of certain subsidiaries may elect to participate in the DSU plan.

Executive officers can choose to have up to 100% of their annual short-term incentive award paid in DSUs instead of cash. The award is converted into DSUs based on the market value of a BCE common share on the day before the award becomes effective. Executives may also elect to receive performance share units (PSUs) and restricted share units (RSUs) in the form of DSUs.

DSUs have the same value as BCE common shares. Dividend equivalents in the form of additional DSUs are equal in value to dividends paid on BCE common shares and credited to the participant's account on each dividend payment date based on the number of units in the account as of the dividend record date.

The Compensation Committee may also recommend for Board approval special awards of DSUs to recognize outstanding achievements or for reaching certain corporate objectives. There were no such awards made in 2015.

Holders of DSUs cannot settle their DSUs while they are employed by a company within the BCE group of companies. Once they leave the BCE group, the Corporation will buy, through a trustee, a number of BCE common shares on the open market equal to the number of vested DSUs a participant holds in the plan, after withholding taxes and any other deductions. These shares are then delivered to the former employee or to the estate in case of death.

## Share ownership requirements

We believe in the importance of substantial share ownership, and our compensation programs are designed to encourage share ownership by executive officers. In order to encourage ongoing investment in the Corporation and to ensure continuous alignment of our executive officers' compensation with our objective of creating value for our shareholders, share ownership requirements were increased for the President and CEO and EVPs in 2013. These milestones are to be reached 10 years from promotion or hire date. The following table outlines the current minimum share ownership levels as a multiple of annual base salary and the associated deadline applicable for each executive level:

POSITION	MULTIPLE OF BASE SALARY	
	5-YEAR TARGET <sup>(1)</sup>	10-YEAR TARGET
President and CEO	7.5x	10x
EVPs	3.0x	5x

(1) 50% of five-year target must be reached within three years.

Direct and indirect holdings of common shares of BCE, including shares or DSUs received under the following programs, can be used to reach the minimum share ownership level:

- DSU plan, described under *DSU Plan*
- Employees' Savings Plan (ESP), described under *Benefits and Perquisites*
- shares acquired and held by exercising stock options granted under our stock option plans, described under *Long-Term Incentive Plan*
- shares received and held upon payment of RSUs and PSUs, described under *Long-Term Incentive Plan*.

Option grants and unvested equity grants do not count towards the minimum share ownership level.

Share ownership status is calculated using the higher of acquisition cost and the current market value at time of review. The Compensation Committee reviews at least annually the status of compliance with the share ownership requirements. Concrete measures may be taken if the three- five- or 10-year targets are missed. These measures include, but are not limited to, the payment of a portion of the annual short-term incentive award in DSUs and, when stock options are exercised, the requirement to hold BCE common shares having a market value equal to a portion of the after-tax financial gain resulting from the exercise. These measures remain in effect until the target is reached. As shown in the table below, all of our NEOs have exceeded their five-year targets and 10-year targets.

Below is the share ownership status for our active NEOs as of March 3, 2016.

NEO	OWNERSHIP REQUIREMENT			TOTAL BCE EQUITY OWNERSHIP VALUE <sup>(1)</sup> (\$)	PERCENTAGE OF		
	BASE SALARY (\$)	YEAR 5	YEAR 10		OWNERSHIP IN DSUs	5-YEAR TARGET ACHIEVED	10-YEAR TARGET ACHIEVED
George A. Cope	1,400,000	7.5x	10x	64,114,387	94%	611%	458%
Glen LeBlanc	550,000	3x	5x	7,514,761	99%	455%	273%
Wade Oosterman	900,000	3x	5x	40,632,009	84%	1,505%	903%
John Watson	700,000	3x	5x	3,906,246	85%	186%	112%
Stephen Howe	575,000	3x	5x	5,157,852	44%	299%	179%

(1) Estimated using the closing BCE share price from March 3, 2016 of \$57.05.

## Clawback policy

The President and CEO as well as executive officers have a clawback clause in their employment agreements that provides for the Corporation, at its discretion, to clawback a portion of cash and equity compensation awarded to them as well as to obtain reimbursement for a portion of the gains realized on the exercise of options granted to them after their appointment. The clawback is enforceable if there is a financial

restatement due to gross negligence, intentional misconduct or fraud on the part of executive officer during the 24 months preceding the restatement, and where it is determined that the cash or equity awards paid would have been lower had the restatement occurred prior to the payment of such awards.

## Pension, benefits and perquisites

### PENSION

No change was made to our pension plan in 2015 as it was well positioned relative to market.

With the exception of Mr. Vanaselja, our former CFO, all NEOs participate in the Defined Contribution (DC) pension plan, which has been the only pension plan available to employees hired since 2004. Mr. Vanaselja, who was hired prior to 2004, participated in Bell Canada's Defined Benefit (DB) pension plan.

All our NEOs are eligible for supplementary retirement arrangements. The pension benefits provided to our NEOs are described under section 11.4 entitled *Pension arrangements*.

### BENEFITS AND PERQUISITES

We believe that offering competitive and flexible benefits is essential to attract and retain qualified employees. The Corporation provides the Omniflex benefit program, which gives employees the flexibility to choose health, life and accident insurance most suited to their individual needs. The NEOs are provided with additional benefits, mainly relating to incremental life and accident insurance.

We also offer to all of our employees the possibility to participate in our Employee Savings Plan (ESP). The ESP is designed to support long-term share ownership and to build greater interest in the growth and success of our Corporation. Under the ESP, employees can contribute up to 6% of their eligible earnings to buy BCE common shares. The Corporation contributes \$1 for every \$3 the employee contributes. The shares purchased with the Corporation contributions are vested to employees after two years. More information on the ESP can be found under section 11.3 entitled *Employees' savings plans (ESPs)*.

The NEOs receive a competitive cash allowance for perquisites.

## 9.6 Compensation risk management

Our Risk Advisory Services (Corporate risk management) and Human Resources groups conducted their annual compensation risk evaluation process to ensure that our compensation policies and practices do not encourage executives to take undue risk on behalf of the Corporation for personal financial gain.

### FIVE-PILLAR FRAMEWORK



As part of the risk-assessment process, the five-pillar framework developed in 2011 for the purpose of the annual assessment was used and relevant potential risks were identified for each of the pillars.

The risk factors identified across the five pillars form the focus of the risk assessment associated with compensation policies and practices. Each risk factor is considered in the context of specific plan design characteristics and relevant risk mitigation practices in order to reach a conclusion on the residual risk exposure.

**Our assessment identified no risks associated with our compensation policies and practices likely to have a material adverse effect on the Corporation**

We recognize that long-term growth and value creation can only be achieved within an acceptable level of risk. We ensure our compensation policies and practices reward executives for short-, medium- and long-term decision making and performance but do not encourage undue risk taking or produce excessive compensation levels. We also ensure our policies and practices reflect best practices in terms of market trends and governance standards. The following are key risk mitigation policies that are part of the annual risk assessment and our approach to sound compensation management at BCE.



## OVERVIEW OF COMPENSATION AND RISK GOVERNANCE POLICIES AT BCE

### WHAT WE DO

Use external independent consultants to assess our executive compensation programs to ensure they are aligned with shareholder and corporate objectives, best practices and governance principles.

Incorporate caps on the annual short-term incentive payouts, medium- and long-term incentive grants and executive pension plans to prevent excessive compensation levels.

Incorporate risk mitigation mechanisms<sup>(1)</sup> into incentive programs and compensation policies to minimize the likelihood that executives will take undue risks to enhance their remuneration.

Balance short- (annual short-term incentive), medium- (RSUs and PSUs) and long-term (stock options) incentives to align compensation to the risk horizon for each compensation component.

Offer a pay mix that emphasizes performance with 80% of NEO target total direct compensation being at risk and tightly linked to BCE's performance.

Enforce an incentive compensation clawback policy and forfeiture provisions<sup>(2)</sup>.

Impose material share ownership requirements and offer the possibility to convert incentive payouts into DSUs, which further aligns executives' interests with those of our shareholders.

Maintain a pre-clearance process for the President and CEO and all EVPs to protect against insider trading and trading during blackout periods.

Ensure that the Compensation Committee is comprised of independent members to avoid compensation-related conflicts of interest.

Offer our shareholders an opportunity to provide input to the Board regarding our executive compensation practices and levels via our annual Say on Pay advisory vote.

### WHAT WE AVOID

Maintaining or reducing performance target levels for incentive plans.

Steadily increasing performance levels must be achieved to realize payouts year after year.

Paying out incentives if they are not commensurate with performance results. The Board and the Compensation Committee have discretionary powers to alter incentive payouts when unexpected circumstances arise.

Setting performance targets for incentives without appropriate stress testing.

Offering compensation exceptions to NEOs without appropriate Board approval.

Offering single trigger change in control (CIC) rights to our executives<sup>(3)</sup>.

Issuing stock option grants below market value and allowing option grants to be re-priced or forfeited in exchange for options with a lower strike price.

Allowing hedging of the economic exposure of BCE securities by all insiders, including directors and executives. BCE's anti-hedging policy prohibits any kind of hedging the effect of which is to alter the insider's economic interest in securities of BCE, or the insider's economic exposure to BCE. As share ownership requirements and the long-term incentive plan align shareholder and executive interests, these restrictions ensure this alignment is fully maintained.

Including unvested and unexercised long-term incentives in share ownership calculations.

Guaranteeing variable incentive payouts.

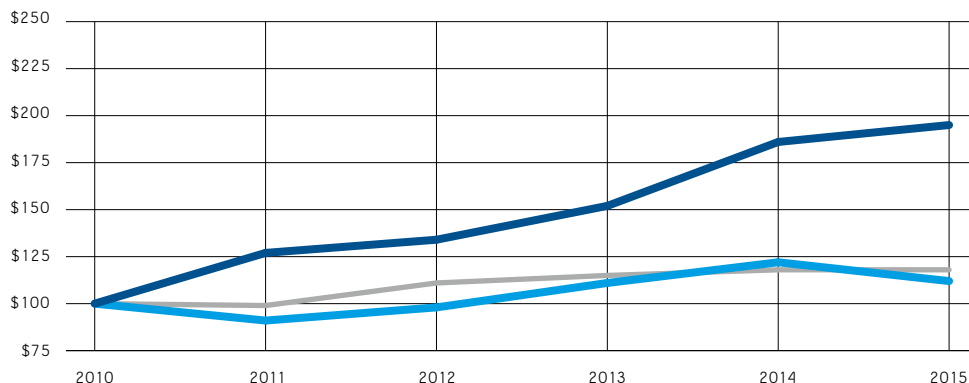
- (1) *The main risk mitigation mechanisms include: incorporating a balanced and diversified combination of performance metrics for incentive plans to protect against one particular metric being promoted at the expense of overall health of the business, emphasis on long-term incentives with three-year vesting cycles in the executive pay mix to discourage undue short-term risk taking and curtailing the use of options (which offer the greatest leverage to share price fluctuation) so they represent only 14.5% of NEO total target direct compensation.*
- (2) *The President and CEO as well as all EVPs have a clawback clause in their employment agreements that provides for the Corporation, at its discretion, to clawback a portion of cash and equity compensation awarded to them as well as to obtain reimbursement for a portion of the gains realized on the exercise of options granted to them after their appointment. The clawback is enforceable if there is a financial restatement due to gross negligence, intentional misconduct or fraud during the 24 months preceding the restatement, and where it is determined that the cash or equity awards paid would have been lower had the restatement occurred prior to the payment of such awards.*  
*All stock option holders are subject to a clawback clause if they engage in prohibited behaviours as described in greater detail in section 9.5 entitled 2015 Compensation elements under the heading Long-Term Incentive Plan.*  
*In the event of termination for cause, an individual forfeits all vested and unvested options and unvested RSU and PSU grants.*
- (3) *The double-trigger CIC policy requires a CIC and termination for reasons other than for cause or resignation for good reason for 18 months post CIC. This prevents the Corporation from being obliged to pay termination benefits during a CIC if an executive's employment is not terminated as part of the CIC. More information can be found in section 11.5 entitled Termination and change-in-control benefits.*

## 9.7 Shareholder return performance graph

### FIVE-YEAR CUMULATIVE TOTAL RETURN ON \$100 INVESTMENT

December 31, 2010 –  
December 31, 2015

■ BCE  
Common Shares  
■ S&P/TSX  
Composite Index  
■ NEO  
Compensation



	2010	2011	2012	2013	2014	2015
BCE Common Shares	100	127	134	152	186	195
S&P/TSX Composite Index	100	91	98	111	122	112
NEO Compensation	100	99	111	115	118	118

The graph above compares the yearly change in the cumulative annual total shareholder return on BCE common shares against the cumulative annual total return on the S&P/TSX Composite Index for the five-year period ending December 31, 2015, assuming an initial investment of \$100 on December 31, 2010, and quarterly reinvestment of all dividends. Also shown is the growth rate of the NEOs' compensation over the same five-year period. Compensation is defined as total direct compensation awarded to active NEOs, including salary, annual short-term incentive awards and annualized grants of RSUs, PSUs and stock options. The graph shows the compensation awarded to our NEOs as remaining fairly constant and not following the growth of the return on the BCE common shares or the S&P/TSX Composite Index. However, a large portion of total compensation is awarded in the form of equity, and the actual payouts related to those awards are linked more closely to the evolution of the Corporation's share price and dividend growth than is reflected in the graph above.

#### BCE

BCE total return is based on the BCE common share price on the Toronto Stock Exchange and assumes the reinvestment of dividends.

#### S&P/TSX COMPOSITE INDEX

With approximately 95% coverage of the Canadian equities market, the S&P/TSX Composite Index is the primary gauge for Canadian-based, Toronto Stock Exchange-listed companies. Such companies include BCE, Royal Bank of Canada, Toronto-Dominion Bank, Suncor Energy, Canadian Natural Resources and Canadian National Railway Company.

# 10 President and CEO Compensation



**George A. Cope**  
President and CEO –  
BCE and Bell Canada

George Cope is leading the transformation of Canada's largest communications company with a competitive strategy of unparalleled investment in advanced broadband networks, innovative communications services, new media and a better customer experience. Under Mr. Cope's guidance, Bell has moved to the forefront of communications growth services: Wireless, TV, Internet and Media.

Recognized as Canada's Outstanding CEO of the Year for 2015, Mr. Cope has earned a reputation as an innovative strategist and builder of high-performance teams. Appointed President and CEO of BCE and Bell Canada in July 2008, he has served in public-company chief executive roles in the industry for almost 30 years.

Mr. Cope led the launch of the Bell Let's Talk initiative, the largest-ever corporate commitment to Canadian mental health and now one of the country's most prominent community investment campaigns, and was Chair of United Way Toronto's record-breaking 2013 campaign.

A graduate of the Ivey School of Business at Western University (HBA '84), Mr. Cope was named Ivey Business Leader of the Year in 2013. He has been awarded honorary doctorates by his alma mater and the University of Windsor, and the Queen's Diamond Jubilee Medal for his work on Bell Let's Talk. He was appointed a Member of the Order of Canada in 2014. Mr. Cope serves as a Director of Bank of Montreal.

## 2015 key accomplishments and determination of annual short-term incentive award

The Compensation Committee evaluated Mr. Cope's performance for 2015 based on demonstrated leadership behaviours and comprehensive objectives related to:

- the evolution of BCE's strategy
- the execution of BCE's strategy.

Mr. Cope significantly advanced the evolution of BCE's strategy in 2015:

- achieved run rate synergies of more than \$100M in 2015 following the privatization of Bell Aliant in late 2014
- closed the acquisition of GLENTEL Inc., an independent national distributor of wireless services with more than 350 branded locations such as Wireless Wave and Tbooth Wireless. Divested 50% of the Corporation's ownership interest in GLENTEL to Rogers Communications for \$391 million
- delivered positive wireline EBITDA growth for all four quarters of 2015 and led major North American telcos with a wireline EBITDA margin of 40.8%
- added to our significant wireless spectrum holdings by winning 169 MHz PoP of AWS-3 spectrum and 243 MHz PoP of 2,500 MHz spectrum in two Industry Canada auctions
- enhanced wireless broadband coverage and speed by deploying a significant number of new mobile broadband LTE sites across Canada, covering 96% of the population. Also launched LTE Advanced, which covered 48% of Canadians at year end
- announced Gigabit Fibe to cover 1.1 million locations in Toronto over the next three to four years, for a total capital cost of approximately \$1.14 billion, which is the largest fibre to the premises build of any North American city
- managed regulatory impacts from TV, wireless and wholesale broadband access decisions, including the restructuring of Bell Media and the launch of a federal cabinet appeal

- celebrated the five year anniversary of Bell's mental health initiative and announced an increase of Bell's commitment to \$100M by 2020. The 2015 Bell Let's Talk Day was the most successful to date. Canadians are seeing the results of confronting the stigma often associated with mental illness. A Harris/Decima survey (2015) provides evidence that stigma has declined in last 5 years. 81% are more aware of mental health issues compared to 5 years ago
- provided funding and support to leading institutions to improve access to mental health care and drive new research, as well as for grassroots organizations in every region of the country through the Bell Let's Talk Community Fund
- demonstrated a commitment to our people. Bell was recognized as one of Canada's Top 100 Employers and Top 50 Employers in Montréal. Bell was awarded the Achievers 50 Most Engaged Workplaces and TalentEgg's Campus Recruiting Program of the Year 2015
- continued to make social responsibility a company focus. Bell was named in the Top 50 Most Socially Responsible Corporations in Canada by Sustainalytics, the Best 50 Corporate Citizens in Canada by Corporate Knights and in the top 100 of the Newsweek Green Rankings Global 500.

Mr. Cope led the Bell team in its successful execution of the company's 6 Strategic Imperatives in 2015:

- launched Gigabit Fibe to 2.2 million locations in Ontario, Quebec and the Atlantic regions, bringing the fastest broadband speeds to customers
- surpassed competitors to become the largest TV provider in Canada by growing our Fibe TV customer base by 26% to 1.2 million. Fibe TV continued to lead the market with innovative new features such as restart a program, look-back 30 hours and trending now. The viewing experience was greatly simplified with easy access to CraveTV and Netflix on all Fibe TV set top boxes in the home

- accelerated wireless in a year where the industry experienced the highest number of subscribers coming off of 2- and 3-year contracts. Bell added the largest number of postpaid net additions among incumbents while leading national carriers in ARPU growth and EBITDA growth
- led the broadcast industry in viewership and demonstrated a commitment to Canadian programming with shows such as Master Chef Canada, Amazing Race Canada, 19-2 and Saving Hope
- expanded media partnerships through a landmark deal with HBO providing Bell Media with the exclusive Canadian multi-platform rights to HBO's new and extensive library of programs. The two companies will also co-develop original Canadian productions for distribution around the world. In addition, entered into an agreement with Corus Entertainment that paved the way for The Movie Network (TMN) to go national in 2016
- added more CraveTV distribution partners and increased its content breadth through an exclusive deal with showtime. Bell Media announced that CraveTV will be available to all Canadians with an Internet connection in 2016

- restructured the business markets group to align our cost structure with economic realities. Combined the small business segment with residential services to capture operating efficiencies and leverage scale for product development and sales
- improved customer service across all business lines. Offered more convenient appointments, such as two-hour windows and weekends and evenings for installation and repair, simplified customer bills, resolved more calls the first time and enhanced self-serve options. As a result, millions of customer calls have been eliminated and customer satisfaction with agents has risen along with the likelihood to recommend our services.

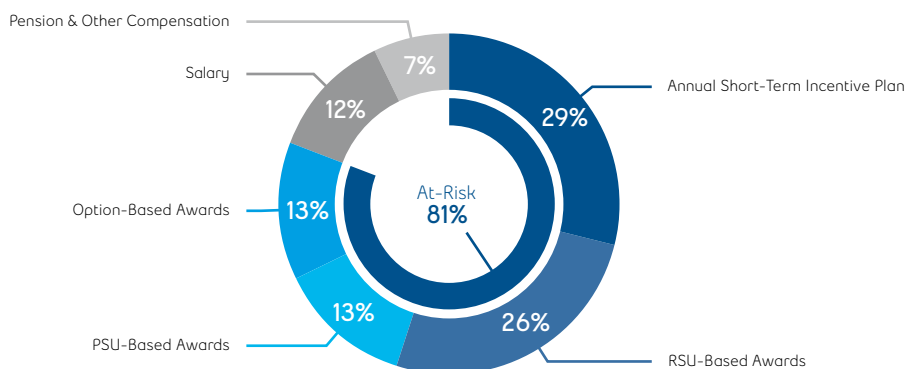
Shareholders benefitted from BCE's strong financial and operational performance, with a 5.0% increase in 2015 common dividends to \$2.60 from \$2.47 in 2014. This was BCE's 11th increase to the annual common share dividend since December 2008, representing growth of 78% over the period.

## 2015 ACTUAL PAY MIX

In 2015, Mr. Cope's target direct compensation level did not change for the third year in a row.

	2015 (\$)	2014 (\$)	2013 (\$)
Salary	1,400,000	1,400,000	1,400,000
<b>At-Risk Compensation</b>			
Annual Short-Term Incentive Plan	3,389,400	3,433,500	2,891,700
RSU-Based Awards	2,937,500	2,937,500	2,937,500
PSU-Based Awards	1,468,750	1,468,750	1,468,750
Option-Based Awards	1,468,750	1,468,750	1,468,750
Total At-Risk Compensation	9,264,400	9,308,500	8,766,700
Pension & Other Compensation	880,599	771,750	796,748
<b>Total Compensation</b>	<b>11,544,999</b>	<b>11,480,250</b>	<b>10,963,448</b>

## 2015 AT-RISK COMPENSATION



## 2015 LOOK-BACK TABLE

The following table compares total direct compensation awarded to the President and CEO and actual value he received from his compensation over the last five years. Actual compensation includes base salary, actual AIP, value of vested units at payout or value of units outstanding at December 31, 2015, value of stock options upon exercise or value of in-the-money stock options outstanding at December 31, 2015. CEO value is compared to value to shareholders, which represents the cumulative value of a \$100 investment in BCE common shares made on the first trading day of the period indicated, assuming reinvestment of dividends.

YEAR	TOTAL DIRECT COMPENSATION AWARDED <sup>(1)</sup>	ACTUAL TOTAL DIRECT COMPENSATION VALUE AS OF DECEMBER 31, 2015 <sup>(2)</sup>	VALUE OF \$100		
			PERIOD	PRESIDENT AND CEO	SHAREHOLDER
2011	\$8,995,313	\$13,716,821	2011-01-01 to 2015-12-31	\$152	\$195
2012	\$10,453,125	\$16,966,380	2012-01-01 to 2015-12-31	\$162	\$154
2013	\$10,166,700	\$13,989,520	2013-01-01 to 2015-12-31	\$138	\$146
2014	\$10,708,500	\$12,410,559	2014-01-01 to 2015-12-31	\$116	\$128
2015	\$10,664,400	\$9,224,737	2015-01-01 to 2015-12-31	\$87	\$105
			<b>Average</b>	<b>\$131</b>	<b>\$146</b>

(1) Includes base salary, actual bonus paid, LTIP value at time of grant (RSUs, PSUs and stock options)

(2) Includes base salary, AIP, RSU/PSU value at payout (including dividends), exercised stock options (using exercise price) and outstanding units at common share price of \$53.46

## Share ownership and value at risk

The table below shows the total vested and unvested BCE equity owned by Mr. Cope as of the date of this circular. His total ownership as value at risk is \$82,805,454.

HOLDINGS	OWNERSHIP AND VESTED VALUE				UNVESTED VALUE				TOTAL OWNERSHIP AND VALUE AT RISK
	SHARES	DSUs	VESTED OPTIONS <sup>(1)</sup>	TOTAL VESTED	PSUs	RSUs	UNVESTED OPTIONS <sup>(1)</sup>	TOTAL UNVESTED	
Number	62,254	1,061,574	0	<b>1,123,828</b>	86,725	173,449	1,090,187	<b>1,350,361</b>	<b>\$82,805,454</b>
Value <sup>(2)</sup>	\$3,551,591	\$60,562,796	\$0	<b>\$64,114,387</b>	\$4,947,661	\$9,895,265	\$3,848,141	<b>\$18,691,067</b>	

(1) Represents the estimated gain from the exercise of the underlying options.

(2) Calculated using the closing price of BCE's common shares on the Toronto Stock Exchange of \$57.05.

# 11 Compensation of Our Named Executive Officers

This section examines the compensation provided in 2015 to our President and CEO, our current CFO, our former CFO, and our three other most highly compensated executive officers (based on aggregate compensation excluding pension benefits).

- George A. Cope, President and CEO (see detailed compensation discussion in section 10 entitled *President and CEO Compensation*)
- Glen LeBlanc, EVP and CFO
- Siim A. Vanaselja, Former EVP and CFO
- Wade Oosterman, Group President BCE and Bell Canada and Chief Brand Officer
- John Watson, EVP, Customer Experience
- Stephen Howe, EVP and Chief Technology Officer

For more information regarding our compensation philosophy and policies and a discussion of the elements of our compensation programs, see section 9 entitled *Compensation Discussion & Analysis*.



**Glen LeBlanc**  
EVP and CFO –  
BCE and Bell Canada

Glen LeBlanc was appointed Executive Vice President and Chief Financial Officer of BCE and Bell Canada in June 2015. He leads the national Finance team with a capital markets strategy focused on enabling Bell's industry-leading capital investment in broadband networks and sustainable dividend growth for BCE shareholders.

Mr. LeBlanc joined BCE in 2014 as Senior Vice President, Finance following the privatization of Bell Aliant, where he had served as Executive Vice President and Chief Financial Officer since 2006.

Mr. LeBlanc is Vice Chair of the Certified Management Accountants (CMA) of Nova Scotia board and played an active role in the merger and unification of the Chartered Professional Accountants (CPA) of Canada. He previously served on the boards of the Greater Halifax Partnership, Atlantic Provinces Economic Council, Cape Breton University and Feed Nova Scotia.

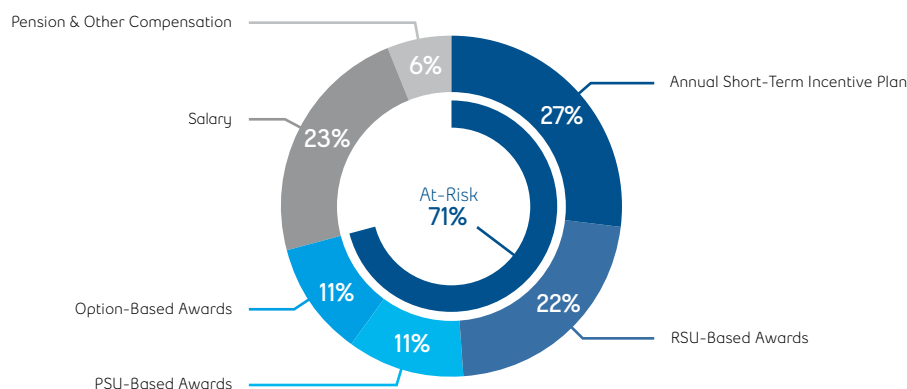
Mr. LeBlanc holds a Bachelor of Commerce degree from St. Mary's University and was awarded CMA and FCMA designations from the Society of Certified Management Accountants of Nova Scotia. He was named to Canada's Top 40 Under 40 in 2005.

In 2015, Mr. LeBlanc received a \$75,000 increase, 25% increase to his annual short-term incentive target, and an increase to his long-term incentive grant of \$333,333 to reflect his promotion to Executive Vice President and Chief Financial Officer.

## 2015 ACTUAL PAY MIX

	2015 (\$)	2014 (\$)
Salary	518,689	73,096
<b>At-Risk Compensation</b>		
Annual Short-Term Incentive Plan	587,330	463,898
RSU-Based Awards	500,000	–
PSU-Based Awards	250,000	–
Option-Based Awards	250,000	–
<b>Total At-Risk Compensation</b>	<b>1,587,330</b>	<b>463,898</b>
Pension & Other Compensation	128,943	69,077
<b>Total Compensation</b>	<b>2,234,962</b>	<b>606,071</b>

## 2015 AT-RISK COMPENSATION







**Siim A. Vanaselja**  
Former EVP and CFO –  
BCE and Bell Canada

Mr. Vanaselja retired in June 2015 after serving 14 years as Executive Vice President and Chief Financial Officer of BCE and Bell Canada.

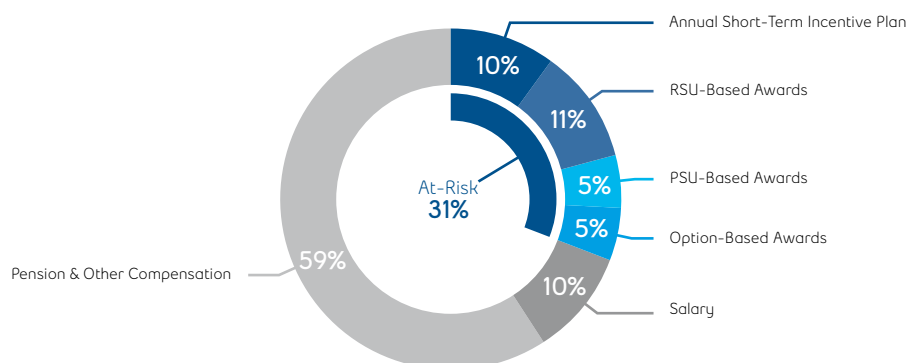
Throughout his 21-year career with the company, Mr. Vanaselja held progressively senior positions at BCE and was a central leader in Bell's transformation into a growth-oriented competitor focused on broadband investment leadership and growing shareholder returns.

A highly regarded financial executive who has served on a range of national financial advisory boards, Mr. Vanaselja is a member of the Chartered Professional Accountants of Ontario and holds an Honours Bachelor of Business degree from the Schulich School of Business. He serves as a Director of TransCanada Corp., Great-West Lifeco Inc. and Maple Leaf Sports and Entertainment Ltd. (MLSE).

## 2015 ACTUAL PAY MIX

	2015 (\$)	2014 (\$)	2013 (\$)
Salary	305,628	620,000	575,000
<b>At-Risk Compensation</b>			
Annual Short-Term Incentive Plan	300,658	827,700	791,775
RSU-Based Awards	312,500	625,000	625,000
PSU-Based Awards	156,250	312,500	312,500
Option-Based Awards	156,250	312,500	312,500
Total At-Risk Compensation	925,658	2,077,700	2,041,775
Pension & Other Compensation	1,778,216	734,775	446,424
<b>Total Compensation</b>	<b>3,009,502</b>	<b>3,432,475</b>	<b>3,063,199</b>

## 2015 AT-RISK COMPENSATION





**Wade Oosterman**  
Group President of BCE  
and Bell Canada and  
Chief Brand Officer

As Group President of BCE and Bell Canada, Wade Oosterman oversees Bell Mobility, Bell Residential and Small Business Services, as well as Bell Media. Mr. Oosterman also serves as Bell's Chief Brand Officer.

Under Mr. Oosterman's leadership, Bell has moved to the forefront of Canadian wireless and delivered new competition and choice in residential broadband services with Bell Fibe TV and Internet services.

Bell Media has enhanced its lead as Canada's largest multimedia company with the top conventional, specialty and pay TV services, radio, digital and out-of-home advertising properties. The refreshed Bell brand developed under Mr. Oosterman is ranked as one of the most valuable in Canada.

Mr. Oosterman holds a Master of Business Administration degree from the Ivey Business School at Western University. He is a Director of Ingram Micro Inc., a Fortune 100 company, and of TIFF, the charitable cultural organization that operates the Toronto International Film Festival and TIFF Bell Lightbox.

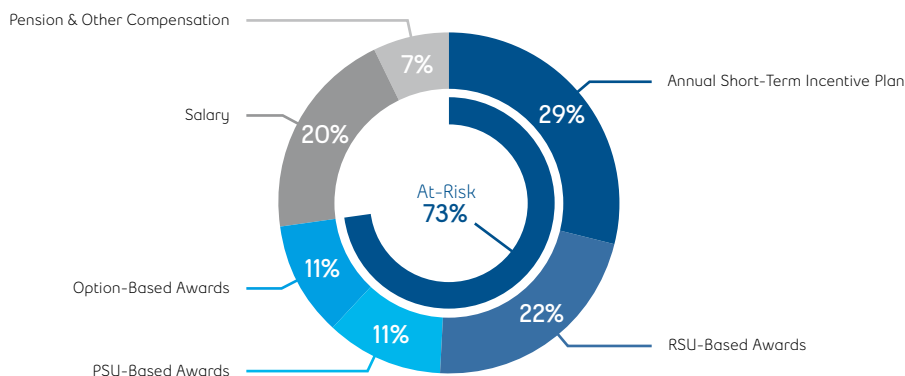
In 2015, Mr. Oosterman received a \$150,000 increase and an increase to his long-term incentive grant of \$250,000 to reflect his additional responsibilities and scope upon the change in his role to Group President.

## 2015 ACTUAL PAY MIX

	2015 (\$)	2014 (\$)	2013 (\$)
Salary	900,000	750,000	750,000
<b>At-Risk Compensation</b>			
Annual Short-Term Incentive Plan	1,317,600	1,170,000	1,201,500
RSU-Based Awards	1,000,000	875,000	875,000
PSU-Based Awards	500,000	437,500	437,500
Options-Based Awards	500,000	437,500	437,500
RSU-Retention Award	—	—	5,000,000 <sup>(1)</sup>
<b>Total At-Risk Compensation</b>	<b>3,317,600</b>	<b>2,920,000</b>	<b>7,951,500</b>
Pension & Other Compensation	301,109	269,422	249,533
<b>Total Compensation</b>	<b>4,518,709</b>	<b>3,939,422</b>	<b>8,951,033</b>

(1) One-time special RSU retention grant of \$5,000,000.

## 2015 AT-RISK COMPENSATION





**John Watson**  
EVP, Customer  
Experience

As Executive Vice President, Customer Experience, John Watson leads Bell's customer operations and field services teams. Leveraging industry-leading investments in big data and analytics, Mr. Watson has enhanced all facets of Bell residential and wireless customer service quality and effectiveness.

Over the last 16 years, Mr. Watson has held executive officer roles in a range of major public telecommunications companies. He is a leader in organizational development and has lectured on business strategy, customer experience, big data, marketing and leadership.

Mr. Watson holds a Master of Business Administration from the Schulich School of Business at York University.

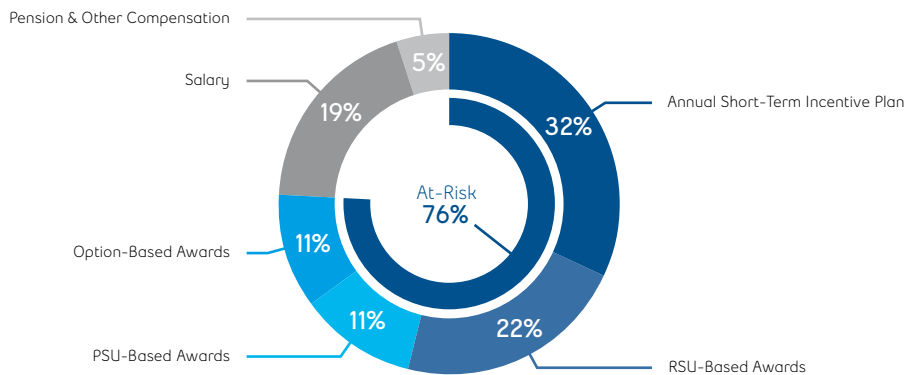
In 2015, Mr. Watson received a \$175,000 increase and an increase to his long-term incentive grant of \$250,000 to reflect the increased scope of his role and market alignment.

## 2015 ACTUAL PAY MIX

	2015 (\$)	2014 (\$)	2013 (\$)
Salary <sup>(1)</sup>	659,135	525,000	525,000
<b>At-Risk Compensation</b>			
Annual Short-Term Incentive Plan	1,077,300	700,875	801,675
RSU-Based Awards	750,000	625,000	625,000
PSU-Based Awards	375,000	312,500	312,500
Options-Based Awards	375,000	312,500	312,500
Total At-Risk Compensation	2,577,300	1,950,875	2,051,675
Pension & Other Compensation	173,665	91,572	85,926
<b>Total Compensation</b>	<b>3,410,100</b>	<b>2,567,447</b>	<b>2,662,601</b>

(1) Amount reflects blended salary for year 2015 as salary increase of \$175,000 was effective April 9, 2015.

## 2015 AT-RISK COMPENSATION





**Stephen Howe**  
EVP and Chief  
Technology Officer

As Executive Vice President and Chief Technology Officer, Stephen Howe leads the Bell Network team that designs, builds and operates the company's broadband fibre, wireless, satellite and media networks.

Under Mr. Howe's leadership, Bell expanded 4G LTE wireless coverage to more than 96% of Canadians with a mobile network rated as Canada's fastest by multiple analysts, and brought gigabit Internet speeds to Canadian consumers with Bell Gigabit Fibe.

During his career at Bell and with other telecommunications companies in Canada and internationally over more than two decades, Mr. Howe has led the development and implementation of world-class advances in wireless and wireline communications technologies.

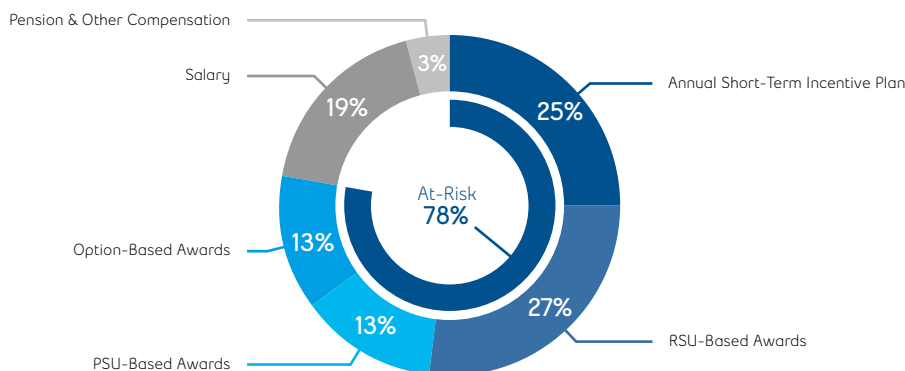
Mr. Howe received his Bachelor of Engineering in Engineering Physics from McMaster University and Master of Business Administration from Cornell University.

In 2015, Mr. Howe received a \$50,000 increase and an increase to his long term incentive grant of \$400,000 to reflect the increased scope of his role and market alignment.

## 2015 ACTUAL PAY MIX

	2015 (\$)	2014 (\$)	2013 (\$)
Salary	575,000	525,000	500,000
<b>At-Risk Compensation</b>			
Annual Short-Term Incentive Plan	755,550	700,875	688,500
RSU-Based Awards	825,000	625,000	625,000
PSU-Based Awards	412,500	312,500	312,500
Options-Based Awards	412,500	312,500	312,500
Total At-Risk Compensation	2,405,550	1,950,875	1,938,500
Pension & Other Compensation	97,557	98,350	95,498
<b>Total Compensation</b>	<b>3,078,107</b>	<b>2,574,225</b>	<b>2,533,998</b>

## 2015 AT-RISK COMPENSATION



## 11.1 Summary compensation table

The table below summarizes the compensation of our NEOs. The NEOs include our President and CEO, our current CFO, our former CFO, and our three most highly compensated executive officers ranked by their total compensation in the table below.

For more information regarding our compensation philosophy and policies and a discussion of the elements of our compensation programs, see section 9 entitled *Compensation Discussion & Analysis* and the footnotes to the table below.

NAME AND PRINCIPAL POSITION	YEAR	SALARY (\$) <sup>(1)</sup>	SHARE-BASED AWARDS (\$) <sup>(2)(3)</sup>	OPTION-BASED AWARDS (\$) <sup>(4)</sup>	NON-EQUITY INCENTIVE PLAN COMPENSATION* (ANNUAL INCENTIVE PLANS) (\$) <sup>(5)</sup>	PENSION VALUE (\$) <sup>(6)</sup>	ALL OTHER COMPENSATION (\$) <sup>(7)</sup>	TOTAL COMPENSATION (\$)
George A. Cope President and CEO BCE and Bell Canada	2015	1,400,000	4,406,250	1,468,750	3,389,400	710,525	170,074	11,544,999
	2014	1,400,000	4,406,250	1,468,750	3,433,500	605,130	166,620	11,480,250
	2013	1,400,000	4,406,250	1,468,750	2,891,700	629,579	167,169	10,963,448
Glen LeBlanc EVP and CFO BCE and Bell Canada	2015	518,689	750,000	250,000	587,330	57,580	71,363	2,234,962
	2014	73,096	–	–	463,898	67,308	1,769	606,071
Siim A. Vanaselja Former EVP and CFO BCE and Bell Canada	2015	305,628	468,750	156,250	300,658	1,042,036	736,180 <sup>(8)</sup>	3,009,502
	2014	620,000	937,500	312,500	827,700	714,769	20,006	3,432,475
	2013	575,000	937,500	312,500	791,775	426,562	19,862	3,063,199
Wade Oosterman Group President BCE and Bell Canada and Chief Brand Officer	2015	900,000	1,500,000	500,000	1,317,600	272,415	28,694	4,518,709
	2014	750,000	1,312,500	437,500	1,170,000	245,889	23,533	3,939,422
	2013	750,000	6,312,500 <sup>(9)</sup>	437,500	1,201,500	225,750	23,783	8,951,033
John Watson EVP Customer Experience BCE and Bell Canada	2015	659,135	1,125,000	375,000	1,077,300	150,152	23,513	3,410,100
	2014	525,000	937,500	312,500	700,875	72,748	18,824	2,567,447
	2013	525,000	937,500	312,500	801,675	68,588	17,338	2,662,601
Stephen Howe EVP and Chief Technology Officer BCE and Bell Canada	2015	575,000	1,237,000	412,500	755,550	76,430	21,127	3,078,107
	2014	525,000	937,500	312,500	700,875	79,601	18,749	2,574,225
	2013	500,000	937,500	312,500	688,500	78,875	16,623	2,533,998

(1) Mr. LeBlanc's 2015 base salary increased from \$475,000 to \$550,000 upon his appointment to EVP and CFO in June 2015. His 2014 base salary reflects his prorated base salary for the period employed by the Corporation. Mr. Oosterman's 2015 base salary increased from \$750,000 to \$900,000 upon the change in his role to Group President. Mr. Watson's and Mr. Howe's 2015 base salaries increased from \$525,000 to \$700,000 and from \$525,000 to \$575,000, respectively, to reflect their increase in scope and to better align their compensation with the compensation offered to executive officers from our comparator group companies.

(2) The following table compares the grant date fair values used for compensation purposes with the provisions that are recorded to the Corporation's financial statements for the NEO share-based awards.

	2015 FEBRUARY 23, 2015 TO DECEMBER 31, 2017		2014 FEBRUARY 26, 2014 TO DECEMBER 31, 2016		2013 FEBRUARY 18, 2013 TO DECEMBER 31, 2015		2012 MARCH 6, 2012 TO MARCH 5, 2016	
	GRANT DATE FAIR VALUE <sup>(a)</sup>	ACCOUNTING FAIR VALUE <sup>(b)</sup>	GRANT DATE FAIR VALUE <sup>(a)</sup>	ACCOUNTING FAIR VALUE <sup>(b)</sup>	GRANT DATE FAIR VALUE <sup>(a)</sup>	ACCOUNTING FAIR VALUE <sup>(b)</sup>	GRANT DATE FAIR VALUE <sup>(a)</sup>	ACCOUNTING FAIR VALUE <sup>(b)</sup>
SHARE PRICE	\$55.66	\$55.21	\$47.69	\$47.85	\$44.39	\$45.01	\$46.57	\$46.97
Aggregate Difference	\$75,850		\$30,025		\$124,415		\$42,993	
Difference per share	\$0.45		\$0.16		\$0.62		\$0.40	

(a) The share price at time of grant was equal to the volume weighted average of the trading price per BCE common share of a board lot of BCE common shares traded on the Toronto Stock Exchange for the five consecutive trading days ending on the day prior to the day the grant became effective.

(b) Amortized over the vesting period of the awards.

- (3) The value shown under this column was allocated as per our compensation plan policy: 50% of the total long-term incentive plan value in RSUs and 25% of the total long-term incentive plan value in PSUs (with the remaining 25% allocated as stock options and reflected under "Option-Based Awards"). The following table details the amounts awarded under both plans:

NEO	2015		2014		2013	
	RSUs (\$)	PSUs (\$)	RSUs (\$)	PSUs (\$)	RSUs (\$)	PSUs (\$)
G.A. Cope	2,937,500	1,468,750	2,937,500	1,468,750	2,937,500	1,468,750
G. LeBlanc	500,000	250,000	—	—	—	—
S.A. Vanaselja	312,500	156,250	625,000	312,500	625,000	312,500
W. Oosterman	1,000,000	500,000	875,000	437,500	5,875,000	437,500
J. Watson	750,000	375,000	625,000	312,500	625,000	312,500
S. Howe	825,000	412,500	625,000	312,500	625,000	312,500

- (4) BCE started to use the binomial valuation method for the evaluation of compensation in 2007. The binomial model provides flexibility in the determination of the theoretical value of options for assumptions regarding parameters such as dividends, vesting period and exercise before expiry. The binomial model is a recognized method for the valuation of stock options of a company that has a high dividend yield. The accounting fair value for the purposes of the financial statements is also calculated using a binomial methodology, which meets requirements under International Financial Reporting Standards, but uses slightly different assumptions. Most important, the dividend is calculated assuming a dividend growth commensurate with the corporation's dividend growth strategy instead of a fixed dividend. The main assumptions used in determining compensation fair value and financial statements value are described in the following table:

KEY ASSUMPTIONS	2015		2014		2013	
	FAIR VALUE	FINANCIAL STATEMENTS	FAIR VALUE	FINANCIAL STATEMENTS	FAIR VALUE	FINANCIAL STATEMENTS
Vesting Period	3 years	3 years	3 years	3 years	3 years	3 years
Dividend Yield	4.27%	4.71%	5.03%	5.16%	5.1%	5.2%
Expected Volatility	14.7%	14.7%	15.3%	15.3%	17.7%	17.7%
Risk-Free Interest Rate	0.95%	0.66%	1.92%	1.52%	1.50%	1.25%
Total Exercise Period	7 years	7 years	7 years	7 years	7 years	7 years
Expected Life	7 years	4.5 years	7 years	4.5 years	4.5 years	4.5 years
<b>Binomial Value</b>	<b>\$4.45</b>	<b>\$2.25</b>	<b>\$3.82</b>	<b>\$2.37</b>	<b>\$3.72</b>	<b>\$2.81</b>

The difference between the grant date fair value used for compensation purposes and the fair value used for accounting purposes for the options granted during the year ended December 31, 2015, is approximately \$2.20 less per option or \$1,563,492 for the 710,678 stock options awarded to the NEOs on February 23, 2015. In 2014, the difference between the grant date fair value for compensation purposes and the fair value used for accounting purposes for the options granted during the year ended December 31, 2014, was approximately \$1.45 less per option or \$1,126,876 for the 777,162 stock options awarded to the NEOs on February 26, 2014. The accounting fair value is amortized over the vesting period of the awards. In 2013, the difference between the stock option award grant date fair value and the accounting fair value of the stock option award as at December 31, 2013, was approximately \$0.91 less per option or \$726,217 for the 798,054 stock options awarded to the NEOs on February 18, 2013. The accounting fair value is amortized over the vesting period of the awards.

- (5) This column includes only the annual short-term incentive awards paid to the NEOs.
- (6) As described under section 11.4 entitled Pension arrangements, for all NEOs except for Mr. Vanaselja and for Mr. LeBlanc for the year 2014, this represents the employer contribution for each of the three most recently completed years for the different defined contribution arrangements and related effects on the value of the executive officer's SERP account when applicable. For Mr. Vanaselja, it represents the defined benefit service cost for each year and for 2015 for 6 months of service and benefit increase under DB SERP arrangement at retirement. For Mr. LeBlanc for 2014 it represents the service cost for an additional year of service and the impact of a salary increase prorated for 2 months.



(7) All Other Compensation is comprised of the following components:

NAME	YEAR	PERQUISITES AND OTHER PERSONAL BENEFITS <sup>(a)</sup> (\$)	CORPORATION CONTRIBUTION UNDER EMPLOYEES' SAVINGS PLAN <sup>(b)</sup> (\$)	OTHER <sup>(c)</sup> (\$)	TOTAL ALL OTHER COMPENSATION (\$)
G.A. Cope	2015	123,874	28,000	18,200	170,074
	2014	122,373	28,000	16,247	166,620
	2013	122,373	28,000	16,796	167,169
G. LeBlanc	2015	54,492	10,374	6,497	71,363
	2014	–	1,769	–	1,769
S.A. Vanaselja	2015	–	6,113	730,067 <sup>(8)</sup>	736,180
	2014	–	12,400	7,606	20,006
	2013	–	11,500	8,362	19,862
W. Oosterman	2015	–	18,000	10,694	28,694
	2014	–	15,000	8,533	23,533
	2013	–	15,000	8,783	23,783
J. Watson	2015	–	13,183	10,330	23,513
	2014	–	10,500	8,270	18,770
	2013	–	10,500	6,837	17,337
S. Howe	2015	–	11,500	9,627	21,127
	2014	–	10,500	8,249	18,749
	2013	–	10,000	6,623	16,623

(a) For Mr. Cope, the amount consists mainly of a perquisite allowance in the amount of \$120,000 for years 2015, 2014, and 2013. Perquisites and other personal benefits that in aggregate are worth less than \$50,000 or 10% of the total annual base salary of a NEO for the financial year are not included.

(b) Under the Employees' Savings Plan, employees, including NEOs, can contribute up to 6% of their eligible earnings to buy BCE common shares. The Corporation contributes \$1 for every \$3 that the employee contributes. In order to encourage share ownership over the longer term, participants may not withdraw any common shares bought with their own contributions under the plan for a two-year period to allow employer contributions to vest. The amounts shown include both vested and unvested employer contributions.

(c) For all NEOs, this column includes mainly company-paid life insurance premiums and gross-up payments.

(8) Includes a one-time retirement allowance of one year's base salary payable in accordance with the DB SERP provisions, but is not included in pensionable earnings, and fees related to committee and board work after date of retirement.

(9) Includes a one-time special RSU retention grant of \$5,000,000.

## 11.2 Incentive plan awards

### OUTSTANDING UNEXERCISED OPTION-BASED AWARDS AND UNVESTED SHARE-BASED AWARDS

The following table includes all unexercised option-based awards and all share-based awards outstanding at the end of the financial year ended December 31, 2015. Refer to section 9.5 entitled *2015 Compensation elements* under the heading *Long-Term Incentive Plan* for key features of the plans.

NAME	OPTION-BASED AWARDS							SHARE-BASED AWARDS		
	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS				OPTION EXERCISE PRICE <sup>(1)</sup> (\$)	OPTION EXPIRATION DATE <sup>(2)</sup>	VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS <sup>(3)</sup> (\$)	NUMBER OF SHARES OR UNITS OF SHARES THAT HAVE NOT VESTED (#)	MARKET OR PAYOUT VALUE OF SHARE-BASED AWARDS THAT HAVE NOT VESTED <sup>(4)</sup> (\$)	MARKET OR PAYOUT VALUE OF SHARED-BASED AWARDS NOT PAID OUT OR DISTRIBUTED <sup>(5)</sup> (\$)
	GRANT DATE	VESTED (#)	NOT VESTED (#)	TOTAL OPTIONS (#)						
G.A. Cope	2015-02-23	0	330,057	330,057	56.05	2022-02-23	–	184,711	9,874,650	62,900,077
	2014-02-26	0	384,490	384,490	47.90	2021-02-25	2,137,764			
	2013-02-18	0	394,826	394,826	44.47	2020-02-17	3,549,486			
G. LeBlanc	2015-08-17	0	18,727	18,727	56.05	2022-02-23	–	29,057	1,553,387	6,957,020
	2015-02-24	0	37,454	37,454	53.60	2022-02-23	–			
S.A. Vanaselja	2015-02-23	0	35,113	35,113	56.05	2022-02-23	–	30,476	1,629,247	1,308,169
	2014-02-26	0	81,807	81,807	47.90	2021-02-25	454,847			
	2013-02-18	0	84,006	84,006	44.47	2020-02-17	755,214			
W. Oosterman	2015-02-23	0	112,360	112,360	56.05	2022-02-23	–	182,949	9,780,454	31,867,403
	2014-02-26	0	114,529	114,529	47.90	2021-02-25	636,781			
	2013-02-18	0	117,608	117,608	44.47	2020-02-17	1,057,296			
J. Watson	2015-02-23	0	84,270	84,270	56.05	2022-02-23	–	42,832	2,289,799	3,109,837
	2014-02-26	0	81,807	81,807	47.90	2021-02-25	454,847			
	2013-02-18	0	84,006	84,006	44.47	2020-02-17	755,214			
S. Howe	2015-02-23	0	92,697	92,697	56.05	2022-02-23	–	44,951	2,403,080	3,446,976
	2014-02-26	0	81,807	81,807	47.90	2021-02-25	454,847			
	2013-02-18	0	84,006	84,006	44.47	2020-02-17	755,214			

- (1) The exercise price is the price at which a common share may be purchased when an option is exercised. Effective June 6, 2007, shareholders approved that the exercise price be the higher of the volume weighted average of the trading price per BCE common share of a board lot of BCE common shares traded on the Toronto Stock Exchange: (i) on the trading day prior to the day the grant becomes effective or, if at least one board lot of BCE common shares has not been traded on such day, then the volume weighted average for the next preceding day for which at least one board lot was so traded; and (ii) for the five consecutive trading days ending on the trading day prior to the day the grant becomes effective. For options granted prior to June 6, 2007, the exercise price was equal to the closing price of a board lot of common shares of BCE on the last trading day before the grant came into effect.
- (2) The term of any option may not exceed 10 years from the effective date of the grant. Since 2011, options have been granted with a seven-year term. The Compensation Committee can always recommend, and the Board approve, another option term at time of grant as long as the maximum 10-year expiry date is respected.
- (3) The value of unexercised in-the-money options is calculated using the closing price of a board lot of common shares of BCE on the Toronto Stock Exchange on December 31, 2015, i.e. \$53.46, less the exercise price of those options.
- (4) The value of the outstanding share units is calculated using the closing price of a board lot of common shares of BCE on the Toronto Stock Exchange on December 31, 2015, i.e. \$53.46, times the number of share units held by the employee in the RSU, PSU and DSU plans, as applicable. For RSUs, PSUs and DSUs, it also includes dividends credited in the form of additional RSUs (including the December 15, 2015 declared dividend).

## Incentive plan awards – value vested or earned during the year

The following table summarizes option-based awards and share-based awards that vested during 2015 as well as annual short-term incentive awards earned during 2015. Refer to section 9.5 entitled *2015 Compensation elements* under the headings *Long-Term Incentive Plan* and *Annual Short-Term Incentive* for the key features of the plans.

NAME	VESTING DATE	OPTION-BASED AWARDS	SHARE-BASED AWARDS		NON-EQUITY INCENTIVE PLAN COMPENSATION
		VALUE VESTED DURING THE YEAR (\$)	VALUE ON VESTING DATE <sup>(1)</sup> (\$)	VALUE VESTED DURING THE YEAR <sup>(2)</sup> (\$)	VALUE EARNED DURING THE YEAR <sup>(3)</sup> (\$)
G.A. Cope	2015-02-19	5,564,856	6,148,334	6,148,334	3,389,400
G. LeBlanc	–	–	–	–	587,330
S.A. Vanaselja	2015-02-19	1,184,019	1,308,169	1,308,169	300,658
W. Oosterman	2015-02-19	1,657,626	1,831,437	1,831,437	1,317,600
J. Watson	2015-02-19	1,184,019	1,308,169	1,308,169	1,077,300
S. Howe	2015-02-19	1,184,019	1,308,169	1,308,169	755,550

(1) The RSUs (and the RSUs credited in lieu of dividends on those RSUs) and PSUs granted on February 18, 2013, vested in full on December 31, 2015. On the vesting date, the closing price of a board lot of common shares of BCE on the Toronto Stock Exchange was \$53.46.

(2) For all NEOs, on vesting day the closing price of a board lot of common shares of BCE on the Toronto Stock Exchange was \$53.46.

(3) These amounts are the same as those included in the Summary Compensation Table under the column Non-Equity Incentive Plan Compensation (Annual Incentive Plans) and include the entire 2015 annual short-term incentive awards paid in cash and/or in DSUs.

The following table lists the number and net value of options that were exercised during 2015 by each NEO.

NAME	NUMBER OF SHARES ACQUIRED ON EXERCISE	EXERCISE PRICE	NET VALUE REALIZED UPON EXERCISE <sup>(1)</sup>
G.A. Cope	356,493	\$54.35	\$5,212,129
G. LeBlanc	–	–	–
S.A. Vanaselja	–	–	–
W. Oosterman	197,654	\$54.60 <sup>(2)</sup>	\$3,296,204
J. Watson	75,850	\$55.53	\$1,198,650
S. Howe	–	–	–

(1) This amount is calculated based on the differences between the exercise price and the market price of the shares at the time of exercise.

(2) Weighted average exercise price for two exercises in 2015.

## Stock option plan

The stock option plan was established in 1999. It is available to officers and other employees of the Corporation and its subsidiaries who in the opinion of the Compensation Committee have demonstrated the capacity for contributing in a substantial measure to the successful performance of the Corporation. The number of shares issuable to insiders, at any time, under the stock option plan and all equity-based compensation arrangements of BCE cannot exceed 10% of issued and outstanding shares; and the number of shares issued to insiders, within any one-year period, under all security-based compensation arrangements of BCE cannot exceed 10% of issued and outstanding shares.

In 2015, 2,835,667 options were granted under the stock option plan, representing 0.3% of issued and outstanding shares, none of which were vested as of December 31, 2015.

Under the terms of the stock option plan, the Compensation Committee establishes the option period, which shall not exceed ten years after the effective date of the grant. It also establishes the vesting schedule for each grant. Since 2011, options have been granted with a seven-year term and three-year cliff vesting.

Options are not assignable by the optionee, except to the optionee's estate upon the optionee's death.

Under the terms of the stock option plan, the Compensation Committee has the discretion to establish vesting provisions, exercise schedules or termination provisions at the time of grant of new options or later on with respect to any outstanding option, without shareholder approval. However, the Compensation Committee may not, without shareholder approval:

- increase the number of common shares that can be issued under the stock option plan
- reduce the strike price of an outstanding option (including a cancellation and regrant of an option, constituting a reduction of the exercise price of an option)
- extend the expiry date of an outstanding option or amend the stock option plan to permit the grant of an option with an expiry date beyond the maximum term allowed under the stock option plan
- change the provisions relating to the transferability of options except if the transfer is for normal estate-settlement purposes

- make amendments to eligible participants that may permit the introduction of non-employee directors on a discretionary basis
- make amendments to provide for other types of compensation through equity issuance, unless the change results from application of the anti-dilution provisions of the stock option plan.

There were no amendments to the stock option plan in 2015. Additional information regarding the stock option plan can be found in section 9.5 entitled *2015 Compensation elements* under the heading *Long-Term Incentive Plan* and in section 11.5 entitled *Termination and change-in-control benefits* under the heading *Stock Options*.

## Securities authorized for issuance under equity compensation plans

NAME	NUMBER OF SECURITIES TO BE ISSUED UPON EXERCISE OF OUTSTANDING OPTIONS, WARRANTS AND RIGHTS (#) (A)	WEIGHTED AVERAGE EXERCISE PRICE OF OUTSTANDING OPTIONS, WARRANTS AND RIGHTS (\$) (B)	NUMBER OF SECURITIES REMAINING AVAILABLE FOR FUTURE ISSUANCE UNDER EQUITY COMPENSATION PLANS, EXCLUDING SECURITIES REFLECTED IN COLUMN (A) (#) (C)
Equity compensation plans approved by security holders	–	–	–
Equity compensation plans not approved by security holders <sup>(1)</sup>	9,666,904	48	28,035,765 <sup>(2)</sup>
Total	9,666,904	48	28,035,765

(1) The key features of the stock option plan are provided under section 9.5 entitled Compensation elements – Long-Term Incentive Plan.

(2) This number includes 7,829,983 BCE common shares issuable pursuant to employee subscriptions under the BCE Inc. ESPs (1970) and (2000).

The following table sets out the number of securities issued and issuable under each of the Corporation's security-based compensation arrangements and the number of BCE common shares underlying outstanding options and percentages represented by each calculated over the number of BCE common shares outstanding as at December 31, 2015.

	COMMON SHARES ISSUABLE <sup>(1)</sup>		COMMON SHARES ISSUED TO DATE		COMMON SHARES UNDER OUTSTANDING OPTIONS	
	NUMBER	% <sup>(2)</sup>	NUMBER	% <sup>(2)</sup>	NUMBER	% <sup>(2)</sup>
BCE Inc. Long-Term Incentive (Stock Option) Program (1999) <sup>(3)</sup>	29,872,686 <sup>(4)</sup>	3.5	19,821,219	2.3	9,666,904 <sup>(5)</sup>	1.1
Employees' Savings Plans (1970) and (2000)	7,829,983 <sup>(6)</sup>	0.9	22,258,766	2.6	N/A	N/A

(1) This number excludes BCE common shares issued to date and represents the aggregate of BCE common shares underlying outstanding options and BCE common shares remaining available for future grants of options and subscriptions under the ESPs.

(2) Outstanding BCE common shares as at December 31, 2015 = 865,611,188.

(3) As at the date of this circular, there were 28,517,571 common shares issued and issuable under the Stock Option Program (1999), which represented 3.3% of the then outstanding common shares.

(4) Out of a maximum number of issuable BCE common shares of 50,000,000 under the Stock Option Program (1999) after deduction of 306,095 common shares transferred to and issued or issuable under the BCE Inc. Replacement Stock Option Plan (Plan of Arrangement 2000).

(5) As at the date of this circular, there were 11,204,584 common shares underlying outstanding options, which represented 1.3% of the then outstanding common shares.

(6) Out of an aggregate maximum number of issuable BCE common shares of 20,000,000 under the ESPs (1970) and (2000).

The table below summarizes the dilution, overhang and burn rates for the stock option plan as of December 31 of each year.

	2015	2014	2013
Dilution <sup>(1)</sup>	1.1%	1.1%	1.0%
Overhang <sup>(2)</sup>	3.5%	3.8%	4.4%
Burn Rate <sup>(3)</sup>	0.3%	0.3%	0.4%

(1) (Total options outstanding) ÷ (total common shares outstanding).

(2) (Total options available for issue + options outstanding) ÷ (total common shares outstanding).

(3) (Total options granted during the fiscal year) ÷ (total common shares outstanding).

## 11.3 Employees' savings plans (ESPs)

ESPs are designed to encourage our employees and those of our participating subsidiaries to own shares of the Corporation. In most instances, employees who have completed at least six months of service and who do not control directly or indirectly 5% or more of the outstanding common shares of BCE can choose to have up to 12% of their annual eligible earnings withheld through regular payroll deductions to buy BCE common shares. The employer contributes up to 2% of the employee's annual eligible earnings to the plan. Two ESPs are in place: the BCE Inc. Employees' Savings Plan (1970) (the "1970 ESP") and the BCE Inc. Employees' Savings Plan (2000) (the "2000 ESP"). The 2000 ESP, which is intended for employees whose principal employment is in the United States, is not currently in use and thus, there are no accumulated shares currently issued under this plan. The terms of both ESPs are substantially similar.

The trustee of the ESPs buys BCE common shares for the participants on the open market, by private purchase or from BCE (issuance of treasury shares). The price of the shares purchased by the trustee on the open market or by private purchase is equal to the value paid by the trustee for such shares. The price for treasury shares (if any) purchased from BCE is equal to the weighted average prices of the shares purchased by the trustee on the open market and by private purchase (if any) in the week immediately preceding the week in which the purchase is made from BCE. The purchase price for treasury shares may not be below the market price of the securities, as established pursuant to the plan. Since 2014, shares for employer contribution are purchased on the open market while shares for employee contributions are bought from BCE. In 2015, 2,305,292 common shares were issued from treasury to fill employee contributions.

The number of shares that may be issued under the ESPs to insiders of a participating company, within any one-year period, under all security-based compensation arrangements of BCE, may not exceed 10% of all issued and outstanding BCE common shares. Participation in the ESPs is not assignable.

The 1970 ESP supports long-term share ownership and builds greater interest in the growth and success of our Corporation. Shares purchased with employee contributions may not be withdrawn from the plan for a two-year period to allow employer contributions to vest. Shares are then purchased with the employer contributions and become available to the participant. Upon departure from the Corporation, except upon involuntary termination, retirement or death, the unvested employer contributions are forfeited.

Under the terms of the ESPs, the Board has the authority to modify the ESPs without shareholder approval to introduce changes such as a change in the termination provisions, housekeeping changes (such as to correct an immaterial inconsistency or clerical error or omission), or a change deemed necessary or desirable to comply with applicable law or regulatory requirements.

However, the Board may not, without shareholder approval:

- amend the limit on employee contribution
- amend the offering period to more than 27 months
- introduce a discount purchase price
- amend the maximum Corporation contribution
- increase the number of common shares issuable pursuant to the ESPs, or
- allow for a potential dilution associated with the ESPs, together with all other security-based compensation arrangements, of more than 10% of outstanding common shares of the Corporation.

No changes were made to the 1970 ESP or the 2000 ESP in 2015.

## 11.4 Pension arrangements

### DEFINED CONTRIBUTION ARRANGEMENTS

#### THE DC BASIC PLAN IS THE SUM OF:

- **Employee contributions:** Employee may contribute up to a maximum of 4% (12% from January 2016) of pensionable earnings, subject to the *Income Tax Act* (Canada) (ITA) limit.
- **Employer contributions:** Employer contributes 4% of pensionable earnings and matches the first 2% of employee contributions, for a maximum of 6%.

#### a. Registered DC Plan Arrangement

The Registered DC Plan Arrangement is a component of the Bell Plan. Under this arrangement, each participant has the responsibility to choose how to invest the contributions made in his or her registered account and the rate of return depends on his or her choice. Employee contributions, Corporation contributions and any investment returns are immediately vested. The sum of employee and employer contributions is limited to the maximum allowed under the ITA for registered pension plans.

#### b. DC Notional Account

When the sum of employee and employer contributions in any given year reaches the limit prescribed under the ITA, contributions stop being deducted from the employee's pay and deemed employer contributions start to accumulate in his or her DC Notional Account. The notional account is credited monthly at the rate of return of an actively managed fund called the Bimcor Balanced Fund up to December 31, 2015 (Starting in January 2016, each participant has the responsibility to choose the investment funds that will be used to track the rate of return of the contributions made in his or her notional account from the same selection of funds available for investing the Registered DC Plan contributions). This notional account accumulates until termination, retirement or death, at which point it is paid in cash to the employee or beneficiary.

## DEFINED CONTRIBUTION SUPPLEMENTARY EXECUTIVE RETIREMENT PLAN (DC SERP)

All EVPs, including NEOs, hired or appointed to an officer position on or after January 1, 2005, are eligible for benefits under the DC SERP after having served as an officer for at least five years. These supplemental arrangements consist of the application of a multiplier to employer contributions accumulated in their accounts under the DC Basic Plan (Registered DC Plan Arrangement and DC Notional Account) while serving as an officer.

Once an executive officer becomes eligible for benefits under the DC SERP, a multiplier varying from 1.25 upon reaching 45 points (age and years of service) to 3.0 upon reaching 80 points is applied to employer contributions in the DC Basic Plan. An executive officer may therefore accumulate while an officer (through employer contributions and the related multiplier) up to a maximum of 18% of his or her pensionable earnings plus credited investment returns.

The following table shows amounts from all the Corporation's defined contribution arrangements applicable for the NEOs subject to this pension arrangement.

EXECUTIVE	NAME OF THE ARRANGEMENT	BALANCE AS OF DECEMBER 31, 2014 (\$)	COMPENSATORY <sup>(1)</sup> (\$)	NON-COMPENSATORY <sup>(2)</sup> (\$)	BALANCE AS OF DECEMBER 31, 2015 (\$)
G.A. Cope <sup>(3)</sup>	DC Basic Plan <sup>(4)</sup>	2,737,385	290,010	295,541	3,322,936
	DC SERP <sup>(7)</sup>	3,490,092	420,515	624,188	4,534,795
	<b>Total</b>	<b>6,227,477</b>	<b>710,525</b>	<b>919,729</b>	<b>7,857,731</b>
G. LeBlanc <sup>(4)</sup>	DC Basic Plan <sup>(4)</sup>	0	57,580	6,875	64,455
	DC SERP	0	0	0	0
	<b>Total</b>	<b>0</b>	<b>57,580</b>	<b>6,875</b>	<b>64,455</b>
W. Oosterman	DC Basic Plan <sup>(4)</sup>	1,070,951	123,825	97,001	1,291,777
	DC SERP <sup>(7)</sup>	1,100,708	148,590	202,042	1,451,340
	<b>Total</b>	<b>2,171,659</b>	<b>272,415</b>	<b>299,043</b>	<b>2,743,117</b>
J. Watson	DC Basic Plan <sup>(4)</sup>	384,590	81,163	45,289	511,042
	DC SERP <sup>(7)</sup>	0	68,989	325,959	394,948
	<b>Total</b>	<b>384,590</b>	<b>150,152</b>	<b>371,248</b>	<b>905,990</b>
S. Howe <sup>(5)</sup>	DC Basic Plan <sup>(4)</sup>	573,489	76,430	48,949	698,868
	DC SERP	0	0	0	0
	<b>Total</b>	<b>573,489</b>	<b>76,430</b>	<b>48,949</b>	<b>698,868</b>

(1) Employer contribution in 2015 for the different DC arrangements.

(2) Employee contribution and investment return for the DC Basic Plan, and investment return for the DC SERP.

(3) In conjunction with his appointment as President and COO of Bell Canada in January of 2006 and to recognize the level of seniority at which he joined the Corporation, Mr. Cope was credited five years of service and \$180,000 of notional employer contributions in his DC Notional Account (included under DC Basic Plan in the above table) through a special arrangement.

(4) Mr. LeBlanc will become eligible for his DC SERP benefits in January 2020.

(5) Mr. Howe will become eligible for his DC SERP benefits in January 2016.

(6) DC Basic Plan includes the Registered DC Plan Arrangement and the DC Notional Account.

(7) As of December 31, 2015, these NEOs were eligible for the following SERP multipliers:

EXECUTIVE	AGE	SERVICE	POINTS	MULTIPLIER
G.A. Cope	54.4	15.1 <sup>(a)</sup>	69.5	2.45x
W. Oosterman	55.2	9.4	64.6	2.20x
J. Watson	51.9	5.6	57.5	1.85x

(a) Includes five years of service granted upon hire through a special arrangement.

The additional amount attributable to DC SERP equals the multiplier times:

- the employer's contributions accumulated in their accounts under the DC Basic Plan; less
- the employer's contributions accumulated in their accounts under the DC Basic Plan at the date they became officers.

The Board may grant additional years of service, additional employer contributions or both, through a special arrangement.

Pensionable earnings include base salary and annual short-term incentive awards, whether they are paid in cash or DSUs. The entire cost is paid by the Corporation for the DC SERP, and this benefit is payable in a lump sum at termination, death or retirement. The DC SERP, by its nature, does not include any indexation provision.



## DEFINED BENEFIT ARRANGEMENTS

The Defined Benefit arrangement of the Bell Canada Pension Plan has not been offered to any employees, including any NEOs or executive officers, appointed since 2004. With the retirement of Mr. Vanaselja, none of the NEOs participate in the plan.

### *Bell Canada Pension Plan, Benefits for Inactive Named Executive Officers*

Mr. Vanaselja retired in June 2015 at age 59 with an annual pension of \$627,375. The total value of the accrued obligation as of December 31, 2015, using the same assumptions as the financial statement as of December 31, 2015, and taking into account Mr. Vanaselja's retirement is \$13,294,000. Also, this pension is partly indexed every year to increases in the Consumer Price Index, subject to a maximum of 4% per year.

### *Bell Aliant DB Pension Plan, Benefits for Active Named Executive Officers*

Mr. LeBlanc participated in the Bell Aliant Defined Benefit Pension Plan and a SERP until December 31, 2014; accrual of pensionable service under these plans was frozen as of that date. Future pensionable earnings will be taken into account in the calculation of his pension under these plans.

The plans provide an annual pension of 1.5 per cent of the better of his best 60 consecutive months' or best five calendar years' average pensionable earnings at retirement for each credited year of service before 2005, plus 1.7 per cent of his best 36 consecutive months' average pensionable earnings at retirement for each credited year of service in or after 2005. Pensionable earnings include salary and short-term incentive payments. At age 65, the pension benefit for service before 2005, is reduced to reflect benefits from the Canada Pension Plan. Mr. LeBlanc's SERP provides a survivor pension equal to 60 per cent of Mr. LeBlanc's pension benefit.

The following table shows information from the defined benefit arrangements subject to this pension arrangement.

EXECUTIVE	NUMBER OF FROZEN YEARS CREDITED SERVICE <sup>(1)</sup> (#)	ANNUAL BENEFITS PAYABLE		ACCRUED OBLIGATION AT START OF YEAR <sup>(4)</sup> (\$)	COMPENSATORY CHANGE <sup>(5)</sup> (\$)	NON- COMPENSATORY CHANGE <sup>(6)</sup> (\$)	ACCRUED OBLIGATION AT YEAR END <sup>(7)</sup> (\$)
		AT YEAR END <sup>(2)</sup> (\$)	AT AGE 65 <sup>(3)</sup> (\$)				
Glen LeBlanc	21.3	285,000	312,894	5,517,221	0	(34,988)	5,482,233

(1) Frozen years of credited service up to December 31, 2014, include any additional service granted under a SERP and an additional four years of service was granted for eligibility purposes under the Bell Aliant DB SERP upon joining Bell.

(2) Annual pension accrued at year end is based on unreduced deferred pension payable at age 55 based on frozen credited service as of December 31, 2014, and average pensionable earnings as of December 31, 2015. Benefits that commence prior to retirement age in the registered pension plan may be subject to reduction according to the provisions of the plan and any amounts not paid by the registered pension plan will be paid by the company.

(3) Annual pension payable at age 65 is based on frozen credited service as at December 31, 2014, and average pensionable earnings as of December 31, 2015.

(4) Accrued obligation at start of year is calculated using the following key assumptions: discount rate of 4.0% and indexation of 2.0% annually.

(5) The compensatory change for 2015 represents the impact of plan amendments if any, and the impact of changes to compensation from the previous year.

(6) The non-compensatory change represents the impact of the discount rate (from 4.0% to 4.2%) and the change of YMPE (established and revised annually by the government and used for the purposes of the Canada/Québec Pension Plan) on accrued obligation.

(7) Accrued obligation at year end is calculated using the following key assumptions: discount rate of 4.2% and indexation of 2.0% annually.

## 11.5 Termination and change-in-control benefits

This section describes the standard provisions applicable to our different equity-based plans in the event of a termination of a NEO's employment or a change in control. The Compensation Committee has the authority to depart from these standard provisions at the time a stock option, an RSU or a PSU is granted.

### STOCK OPTIONS

EVENT	
Voluntary resignation	All non-vested options are forfeited on the event date. Vested options can be exercised for one year following the event date (without exceeding the original expiry date). At the end of the one-year period, all outstanding options are forfeited.
Termination for cause	All vested and unvested options are forfeited on the event date.
Termination without cause (other than following a change in control)	Continued vesting and right to exercise the stock options conditional to the employee conforming to non-competition, non-solicitation and confidentiality covenants for the duration of the vesting and exercise period.
Retirement <sup>(1)</sup>	Continued vesting and right to exercise the stock options conditional to the employee conforming to non-competition, non-solicitation and confidentiality covenants for the duration of the vesting and exercise period.
Death	All non-vested options vest on the event date. Vested options can be exercised by the estate for one year following the event date (without exceeding the original expiry date). After the one-year period, all outstanding options are forfeited.
Change in control	If the employment of an option holder is terminated by the Corporation (as determined by the Board) other than for cause or by the option holder for good reason within 18 months of a change in control, unvested options can be exercised for a period of 90 days from the date of termination.

(1) Retirement is defined as an employee retiring from the Corporation with at least 55 years of age and 10 years of service, or at least 60 years of age.

### RSUs AND PSUs

EVENT	RSUs	PSUs
Voluntary resignation	All outstanding unvested grants are forfeited on the event date.	
Termination for cause	All outstanding unvested grants are forfeited on the event date.	
Termination without cause (other than following a change in control)	Continued vesting until the end of the vesting period conditional on the employee conforming to non-competition, non-solicitation and confidentiality covenants for the duration of the period.	Continued vesting until the end of the performance period conditional to the employee conforming to non-competition, non-solicitation and confidentiality covenants for the duration of the period. To be paid on actual performance criteria results achieved by the Corporation at the end of the performance period.
Retirement <sup>(1)</sup>	Continued vesting until the end of the vesting period conditional on the employee conforming to non-competition, non-solicitation and confidentiality covenants for the duration of the period.	Continued vesting until the end of the performance period conditional to the employee conforming to non-competition, non-solicitation and confidentiality covenants for the duration of the period. To be paid on actual performance criteria results achieved by the Corporation at the end of the performance period.
Death	Immediate vesting and payment of outstanding grants.	Immediate vesting of outstanding grants using, for determination of the vesting percentage, "period-to-date" results and results at target for the remainder of the period.
Change in control	If employment is terminated by the Corporation other than for cause or by the employee for good reason within 18 months of a change in control (as determined by the Board), unvested RSUs and PSUs will become fully vested and payable within 90 days from the date of termination.	

(1) Retirement is defined as an employee retiring from the Corporation with at least 55 years of age and 10 years of service, or at least 60 years of age.

## Estimated payments for named executive officers upon termination of employment or change in control

The two tables below show the incremental payments that would be made to our President and CEO and other NEOs in the event of termination of their employment or a change in control. Amounts were calculated as if termination had occurred on December 31, 2015.

### GEORGE A. COPE

The terms applicable in the event of different termination scenarios, which were agreed upon on Mr. Cope's appointment as President and CEO, are described in the table below.

EVENT	NOTICE PERIOD <sup>(1)</sup> (\$)	SEVERANCE <sup>(2)</sup> (\$)	SHORT-TERM AWARD <sup>(3)</sup> (\$)	2015 ADDITIONAL PENSION BENEFITS <sup>(4)</sup> (\$)	PERQUISITES <sup>(4)</sup> (\$)	RSUs <sup>(5)</sup> (\$)	PSUs <sup>(5)</sup> (\$)	STOCK OPTIONS <sup>(6)</sup> (\$)	TOTAL (\$)	BENEFITS <sup>(4)</sup>
Termination without cause (other than following a change in control)	–	9,125,200	– <sup>(7)</sup>	2,076,396	240,000	–	–	–	11,441,596	24-month extension
Termination for cause	–	–	–	–	–	–	–	–	–	–
Voluntary resignation	466,667	–	–	–	40,000	–	–	–	506,667	4-month Extension
Long-term disability (LTD) <sup>(8)</sup>	–	9,125,200	– <sup>(7)</sup>	2,076,396	240,000	–	–	–	11,441,596	Until age 65
Death	–	–	–	–	–	6,583,064	3,291,532	5,687,250	15,561,846	–
Resignation for good reason <sup>(9)</sup>	–	9,125,200	– <sup>(7)</sup>	2,076,396	240,000	–	–	5,687,250	17,128,846	24-month Extension
Retirement <sup>(10)</sup>	–	–	–	–	–	–	–	–	–	–
Termination without cause following a change in control <sup>(9)</sup>	–	9,125,200	– <sup>(7)</sup>	2,076,396	240,000	6,583,064	3,291,532	5,687,250	27,003,442	24-month extension

(1) In case of voluntary resignation, Mr. Cope must provide the Corporation with written notice of four months. The Corporation may waive such period but remains responsible for paying Mr. Cope's base salary and maintaining his benefits coverage and perquisite allowance during the four-month period.

(2) The 24-month severance is calculated using Mr. Cope's annual base salary in effect at time of termination and average annual short-term incentive award for the two years preceding the year of termination. Mr. Cope's average annual short-term incentive award for 2013 and 2014 was \$3,162,600. Severance is payable in equal installments over a 12-month period, without interest.

(3) Amount includes 24 months of employer contributions (6%, corresponding to the contribution level in effect prior to termination) under the DC arrangement of the pension plan using base salary in effect upon termination of employment and average annual short-term incentive award for the two years preceding the year of termination. This additional pension value will be payable in 12 monthly instalments without interest. Amount also includes additional pension value for the recognition of two years of age and service (total of 4 points impacting the SERP multiplier), as if Mr. Cope had remained employed during such 24-month period, such amount being payable within 30 days following termination. Refer to section 11.4 entitled Pension arrangements for more information on the DC arrangement of the pension plan. In case of LTD, Mr. Cope will cease participation in the Corporation's pension plan and SERP as of the date of deemed resignation.

(4) Upon a termination event other than termination for cause, LTD and voluntary resignation, all benefits and perquisites will be maintained for 24 months except the following: short- and long-term disability plans, vacation, parking, security system and IT support. Outplacement services will also be provided as per the policy for executives. In the event of alternate employment within the 24-month period, all benefits and perquisites will cease immediately. Upon LTD, Mr. Cope will receive LTD benefits in accordance with the Corporation's LTD plan up to age 65 and 24 months of perquisites.

(5) If Mr. Cope conforms to the Corporation's non-competition, non-solicitation and confidentiality restrictive covenants until the end of the respective performance periods, he will be eligible for continued vesting on his RSUs and his PSUs. As of December 31, 2015, Mr. Cope had the following holdings under both plans, evaluated using the closing price of a board lot of common shares of BCE on the Toronto Stock Exchange on December 31, 2015, of \$53.46. Accelerated vesting in case of death was also calculated using the same price.

PLAN	NUMBER OF UNITS HELD	DECEMBER 31, 2015 VALUE
RSUs	123,140	\$6,583,064
PSUs	61,570	\$3,291,532

(6) If Mr. Cope conforms to the Corporation's non-competition, non-solicitation and confidentiality restrictive covenants until the expiry date, he will be eligible for continued vesting and will have the right to exercise his stock options granted in 2013, 2014 and 2015 until their expiry date. In case of death or termination following a change in control, the value of the accelerated options is calculated using the closing price of a board lot of common shares of BCE on the Toronto Stock exchange on December 31, 2015, of \$53.46. Refer to section 11.2 entitled Incentive plan awards for complete details on outstanding stock options for Mr. Cope.

(7) Annual short-term incentive award for the year of termination to be prorated for the period worked and paid as if individual and corporate results were met at 100%. The actual amount of annual short-term incentive awarded for 2015 is disclosed in the Summary Compensation Table.

(8) Thirty days after becoming totally disabled, Mr. Cope is deemed to have resigned from his position and becomes eligible to receive termination payments and perquisite allowance identical to those applicable in case of termination without cause. He will receive benefits and payments under the Corporation's LTD plan until age 65 (continuation of health care benefits and payment of two-thirds of base salary). Stock options, RSUs and PSUs will be treated in accordance with the terms of the plan applicable to LTD, which provides for continued participation.

(9) Under Mr. Cope's agreement, resignation for good reason may only take place during the two years following a change in control (defined as acquisition of more than 50% of the common shares of Bell Canada or BCE by takeover bid, merger, amalgamation, sale of business or otherwise) if (i) Mr. Cope is assigned duties inconsistent with a CEO position or (ii) there is a material reduction in Mr. Cope's compensation.

(10) Excludes pension entitlement; please refer to section 11.4 entitled Pension Arrangement for pension amounts.

The payments and benefits described in the table on the previous page (with the exception of the Notice Period column) are subject to Mr. Cope's compliance with the 12-month non-competition (in Canada), non-solicitation and non-disparagement provisions of his agreement and to the confidentiality provisions of his agreement, which are not limited in time. A breach of these contractual provisions will not only result in the cancellation of the above payments and benefits but also in a reimbursement by Mr. Cope to the Corporation of the payments and benefits already received. Furthermore, all of his vested and unvested stock options will be forfeited and any option gain made within 12 months following his termination will also have to be reimbursed to the Corporation.

Upon termination, Mr. Cope's stock options, PSUs and RSUs will be treated in accordance with the terms of the plans under which they have been granted. If he becomes totally disabled, his stock options, PSUs and RSUs will be treated in accordance with the terms of the plans applicable to LTD rather than those applicable upon resignation.

## OTHER NAMED EXECUTIVE OFFICERS

The table below shows the incremental payments that would be made to our NEOs other than our President and CEO in the event of different termination events. Amounts were calculated as if termination had occurred on December 31, 2015.

	EVENT	SEVERANCE <sup>(1)</sup> (\$)	RSUs <sup>(2)</sup> (\$)	PSUs <sup>(3)</sup> (\$)	STOCK OPTIONS <sup>(4)</sup> (\$)	OTHER PAYMENTS (\$)	TOTAL (\$)
G. LeBlanc <sup>(5)</sup>	Termination without cause (other than following a change in control)	2,200,000	–	–	–	–	2,200,000
	Termination for cause	–	–	–	–	–	–
	Voluntary resignation	–	–	–	–	–	–
	Death	–	505,732	252,866	–	–	758,598
	Retirement <sup>(6)</sup>	–	–	–	–	–	–
	Termination without cause in the 18 months following a change in control	2,200,000	505,732	252,866	–	–	2,958,598
W. Oosterman <sup>(6)</sup>	Termination without cause (other than following a change in control)	2,700,000	–	–	–	–	2,700,000
	Termination for cause	–	–	–	–	–	–
	Voluntary resignation	–	–	–	–	–	–
	Death	–	8,737,021	1,043,432	1,694,077	–	11,474,530
	Retirement <sup>(6)</sup>	–	–	–	–	–	–
	Termination without cause in the 18 months following a change in control	2,700,000	8,737,021	1,043,432	1,694,077	–	14,174,530
J. Watson <sup>(7)</sup>	Termination without cause (other than following a change in control)	1,500,000	–	–	–	–	1,500,000
	Termination for cause	–	–	–	–	–	–
	Voluntary resignation	–	–	–	–	–	–
	Death	–	1,526,550	763,302	1,210,061	–	3,499,913
	Retirement <sup>(6)</sup>	–	–	–	–	–	–
	Termination without cause in the 18 months following a change in control	1,500,000	1,526,550	763,302	1,210,061	–	4,999,913
S. Howe	Termination without cause (other than following a change in control)	1,725,000	–	–	–	–	1,725,000
	Termination for cause	–	–	–	–	–	–
	Voluntary resignation	–	–	–	–	–	–
	Death	–	1,602,036	801,045	1,210,061	–	3,613,142
	Retirement <sup>(6)</sup>	–	–	–	–	–	–
	Termination without cause in the 18 months following a change in control	1,725,000	1,602,036	801,045	1,210,061	–	5,338,142

(1) Even though there is no formal agreement between Mr. Howe and the Corporation, a severance indemnity equal to 18 months of base salary and annual short-term incentive award at target has been estimated based on his seniority and years of service. For Mr. LeBlanc, Mr. Oosterman and Mr. Watson, this represents the severance indemnity payable in accordance with their respective employment agreement, as detailed in footnotes (5), (6) and (7) below. Messrs. LeBlanc, Oosterman, and Watson do not have special severance provisions in the event of a termination without cause following a change in control, and such termination would therefore trigger the provisions set forth for termination without cause, if any.

- (2) *Conforming to the Corporation's non-competition, non-solicitation and confidentiality restrictive covenants until the end of the vesting period will render the individual eligible for continued vesting of RSUs. As of December 31, 2015, our NEOs had the following holdings, evaluated using the closing price of a board lot of common shares of BCE on the Toronto Stock Exchange on December 31, 2015, of \$53.46, under the RSU plan. Accelerated vesting resulting from death was also calculated using the same price:*

NAME	NUMBER OF UNITS HELD	VALUE AS OF DECEMBER 31, 2015
G. LeBlanc	9,460	\$505,732
W. Oosterman	163,431	\$8,737,021
J. Watson	28,555	\$1,526,550
S. Howe	29,967	\$1,602,036

- (3) *Conforming to the Corporation's non-competition, non-solicitation and confidentiality restrictive covenants until the end of the performance period will render the individual eligible for continued vesting of PSUs. As of December 31, 2015, our NEOs had the following holdings, evaluated using the closing price of a board lot of common shares of BCE on the Toronto Stock Exchange on December 31, 2015 of \$53.46, under the PSU plan. Accelerated vesting resulting from death was also calculated using the same price:*

NAME	NUMBER OF UNITS HELD	VALUE AS OF DECEMBER 31, 2015
G. LeBlanc	4,730	\$252,866
W. Oosterman	19,518	\$1,043,432
J. Watson	14,278	\$763,302
S. Howe	14,984	\$801,045

- (4) *Conforming to the Corporation's non-competition, non-solicitation and confidentiality restrictive covenants until the stock option expiry date will render the individual eligible for continued vesting and rights to exercise the stock options granted in 2011, 2012, 2013, 2014 and 2015 until their expiry. In case of death or termination following a change in control, the value of the accelerated options is calculated using the closing price of a board lot of common shares of BCE on the Toronto Stock exchange on December 31, 2015 of \$53.46. Refer to section 11.2 entitled Incentive plan awards for complete details on outstanding stock options for our NEOs.*
- (5) *Mr. LeBlanc's employment agreement dated October 7, 2014, provides for the payment of a severance indemnity equal to 24 months of his base salary and annual short-term incentive award at target in effect at the time of termination if his employment is terminated by the Corporation other than for cause. This payment is subject to Mr. LeBlanc's compliance with the 12-month non-competition (in Canada) and release provisions of his employment agreement.*
- (6) *Mr. Oosterman's employment agreement dated July 3, 2006, provides for the payment of a severance indemnity equal to 18 months of his base salary and annual short-term incentive award at target in effect at the time of termination if his employment is terminated by the Corporation other than for cause. This payment is subject to Mr. Oosterman's compliance with the 12-month non-competition (in Canada) and release provisions of his employment agreement.*
- (7) *Mr. Watson's employment agreement dated April 8, 2010, provides for the payment of a severance indemnity equal to 12 months of his base salary and annual short-term incentive award at target in effect at the time of termination if his employment is terminated by the Corporation other than for cause. This payment is subject to Mr. Watson's compliance with the 12-month non-competition (in Canada) and release provisions of his employment agreement.*
- (8) *Excludes pension entitlement; please refer to section 11.4 entitled Pension Arrangement for pension amounts.*

## 12 Other Important Information

### 12.1 Interest of informed persons in material transactions

To the best of our knowledge, there were no current or nominated directors or executive officers or any associate or affiliate of a current or nominated director or executive officer with a material interest in any transaction since the commencement of our most recently completed financial year or in any proposed transaction that has materially affected us or would materially affect us or any of our subsidiaries.

### 12.2 Personal loans to directors and officers

The Corporation and its subsidiaries have not granted loans or extended credit to any current or nominated directors or executive officers or to individuals who have held these positions during the last fiscal year, or to any of their associates, and to this extent we are compliant with the prohibition under the *Sarbanes-Oxley Act*.

### 12.3 Canadian ownership and control regulations

Since 1993, the *Telecommunications Act* and associated regulations (Telecom Regulations) have governed Canadian ownership and control of Canadian telecommunications carriers. Bell Canada and other affiliates of BCE that are Canadian carriers are subject to this Act. In 2012, amendments to the *Telecommunications Act* largely eliminated the foreign ownership restrictions for any carrier that, with its affiliates, has annual revenues from the provision of telecommunications services in Canada that represent less than 10% of the total annual revenues from the provision of these services in Canada, as determined by the CRTC. However, given that Bell Canada and its affiliates exceed this 10% threshold, they remain subject to the pre-existing Canadian ownership and control restrictions, which are detailed below.

Under the *Telecommunications Act*, in order for a corporation to operate as a Canadian common carrier, the following conditions have to be met:

- Canadians own at least 80% of its voting shares
- at least 80% of the members of the carrier company's board of directors are Canadian
- the carrier company is not controlled by non-Canadians.

In addition, where a parent company (Carrier holding company) owns at least 66 2/3% of the voting shares of the carrier company, the Carrier holding company must have at least 66 2/3% of its voting shares owned by Canadians and must not be controlled by non-Canadians. BCE is a Carrier holding company. The Telecom Regulations give certain powers to the CRTC and to Canadian carriers and Carrier holding companies to monitor and control the level of non-Canadian ownership of voting shares to ensure compliance with the *Telecommunications Act*. Accordingly, BCE, which controls Bell Canada and other Canadian carriers, must satisfy the following conditions:

- Canadians own at least 66 2/3% of its voting shares, and
- it is not controlled by non-Canadians.

The powers under the Telecom Regulations include the right to:

- suspend the voting rights attached to shares considered to be owned or controlled by non-Canadians
- refuse to register a transfer of voting shares to a non-Canadian, and
- force a non-Canadian to sell his or her voting shares.

However, in our case, there is an additional control restriction under the *Bell Canada Act*. Prior approval by the CRTC is necessary for any sale or other disposal of Bell Canada's voting shares unless BCE retains at least 80% of all Bell Canada voting shares.

Similarly, the Canadian ownership rules under the *Broadcasting Act* for broadcasting licensees, such as Bell ExpressVu, Bell Media and Bell Canada, generally mirror the rules for Canadian owned and controlled common carriers under the *Telecommunications Act* by restricting allowable foreign investments in voting shares at the licensee operating company level to a maximum of 20% and at the holding company level to a maximum of 33 1/3%. An additional requirement under these Canadian broadcasting ownership rules is that the CEO of a company that is a licensed broadcasting undertaking must be a Canadian citizen or permanent resident of Canada. The CRTC is precluded under a direction issued under the *Broadcasting Act* from issuing, amending or renewing a broadcasting licence of an applicant that does not satisfy these Canadian ownership and control criteria.

Cultural concerns over increased foreign control of broadcasting activities lie behind an additional restriction that prevents the holding company of a broadcasting licensee that exceeds the former 20% limit (or its directors) from exercising control or influence over any programming decisions of a subsidiary licensee. In line with CRTC practice, programming committees have been established within the relevant subsidiary licensees, thereby allowing foreign investment in voting shares of BCE to reach the maximum of 33 1/3%.

We monitor the level of non-Canadian ownership of our common shares and provide periodic reports to the CRTC.



## 12.4 How to request more information

Additional financial information is contained in BCE's consolidated financial statements and MD&A for the year ended December 31, 2015. These documents are also available on our website at [BCE.ca](http://BCE.ca), on SEDAR at [sedar.com](http://sedar.com) and on EDGAR at [sec.gov](http://sec.gov). All of our news releases are also available on our website. You can also ask us for a copy of these documents, as well as of the documents listed below, at no charge:

- our most recent annual report, which includes our comparative financial statements and MD&A for the most recently completed financial year, together with the accompanying auditors' report
- any interim financial reports that were filed after the financial statements for our most recently completed financial year
- our MD&A for the interim periods
- the circular for our most recent annual shareholder meeting, and

- our most recent AIF, together with any document, or the relevant pages of any document, incorporated by reference into it.

Please write to the Corporate Secretary's Office or the Investor Relations Group at 1 Carrefour Alexander-Graham-Bell, Building A, 7th floor, Verdun, Québec, Canada, H3E 3B3 or call 1-800-339-6353.

If you have any questions about the information contained in this document or require assistance in completing your proxy form or voting instruction form, please contact the Corporation's proxy solicitation agent, D.F. King, by e-mail at [inquiries@dfking.com](mailto:inquiries@dfking.com), by telephone at 1-866-822-1244 (toll free within Canada or the United States) or 416-682-3825 (banks, brokers and collect calls outside Canada and the United States) for service in English and French or by fax at 1-888-509-5907 (North American Toll Free Facsimile) or 647-351-3176.

## 12.5 Shareholder proposals for our 2017 annual meeting

We will consider proposals from shareholders to include as items in the management proxy circular for our 2017 annual shareholder meeting.

Your proposals must be received by us by [December 7, 2016](#).

# 13 Schedule A – Shareholder Proposals

A shareholder proposal has been submitted for consideration at the meeting by each of the Mouvement d'éducation et de défense des actionnaires (MÉDAC) (Proposal no. 1) and Mr. William Davis (Proposal no. 2), both being investors holding at least \$2,000 worth of BCE common shares. The full text of each proposal and supporting comments are set out in italics below (translation from the original proposal submitted by MÉDAC in French).

## Proposal No. 1 – Female Representation in Senior Management

*Be it resolved that BCE establish specific objectives to increase female representation on its senior management team.*

*In its 2015 Management Proxy Circular, the company states that it refrained from setting specific diversity targets (including with regard to the proportion of men to women) in order to ensure that the most capable candidates be identified and selected based on these core qualifications.*

*We would like to think that it is no longer necessary to demonstrate that the skills and competencies of female directors and executives compare favourably to those of men, that there are sufficient female candidates to meet demand, and that they are prepared to rise to the challenge if given the opportunity.*

*This recognition that gender diversity is an important component of overall diversity must include measures for the board to take to ensure true equal opportunity in fulfilling decision-making duties with equal skills, experience and determination.*

*In brief, we believe that BCE's performance in terms of gender diversity is far from satisfactory: as of December 31, 2014, women represented only 15% (2/13) of executive officers and only 25% of executive positions (vice-president and above) across all of the corporation's major subsidiaries. Objectives and an action plan are required.*

**The Board of Directors recommends that shareholders vote AGAINST Proposal No. 1 for the following reasons:**

BCE and the Compensation Committee believe that it is important to have a diverse senior leadership team as this brings depth and breadth of perspective and experience and reflects the diversity of our employees and our customer and shareholder bases.

In seeking to foster diversity at senior executive levels, the Compensation Committee considers factors such as gender, age and whether the individual is a visible minority or has a disability when making executive officer appointments. With respect to gender diversity specifically, the Compensation Committee considers the level of representation of women in executive officer positions. However, these factors and considerations will not override the promotion of candidates who possess appropriate skills, experience and leadership abilities. The Board of Directors and the Compensation Committee have therefore refrained from setting specific diversity targets (including with respect to gender diversity) in order to ensure that the most capable candidates are identified and selected on the basis of these core qualifications.

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

To further reinforce its commitment to diversity and inclusion, in 2014, BCE created the Diversity Leadership Council to champion diversity and inclusion across BCE. Members are responsible for creating and executing a plan to further embed diversity and inclusion into their business units, to report progress and ultimately improve representation within all BCE lines of business. BCE is also a signatory of the Catalyst Accord.

**For these reasons, the Board of Directors recommends that shareholders vote AGAINST this proposal.**

## Proposal No. 2 – Reconstitution of Compensation Committee

*Be it resolved that shareholders request our board to reconstitute the compensation committee so that at least 2 of the 5 members will not have benefitted from the compensation model presently proposed for our senior 5 officers, which is based largely upon horizontal comparisons.*

*Last year, during the question period at BCE's annual meeting, I raised 2 issues regarding executive compensation. Firstly, since the compensation committees of all the major Canadian banks are introducing vertical metrics into their consideration, would BCE consider doing so? Secondly, is it prudent that the compensation committee of the Board is comprised of 5 members, each of whom has benefitted during their careers from the present compensation model, based primarily on horizontal metrics? This not only provides very poor optics, it also inhibits consideration of other models.*

*Upon request, I was assured that the Board would review these issues. Since then the Board has in fact made a review and has decided to reject vertical metrics on the grounds that "they do not provide a meaningful measurement of the appropriateness of the compensation of our executives and do not align with the objectives of BCE's executives".*

*Such a decision demonstrates that lack of diversity on the compensation committee is a serious concern. The present compensation committee is composed entirely of like-minded members who benefited directly from the application of narrow metrics that apply only to a small exclusive group. This does not serve BCE or its shareholders well. In principle, it is important to add breadth and a diversity of life and working experience to the committee, just as it is in selecting the Board itself.*

*The motion is not intended to question the competence of any of the present members. The goal is to recognize that a more diverse compensation committee will better represent shareholders' interests by considering a broader range of remuneration factors.*

**The Board of Directors recommends that shareholders vote AGAINST Proposal No. 2 for the following reasons:**

The process to select Board and committee members, led by the Governance Committee, aims at selecting directors for their ability to contribute to the broad ranges of issues with which the Board and its committees routinely deal. Details of the director selection process

can be found in section 6.1 titled *Board of Directors*, under the heading *Composition and diversity of the Board of directors, tenure policy and nomination of directors*.

More specifically, as provided in BCE's governance guidelines, the Compensation Committee is composed entirely of independent directors. These directors have extensive and diverse operational experience in executive compensation and other areas within the Committee's mandate.

The Compensation Committee's approach is to ensure executive compensation is aligned with market practices to ensure executive compensation is competitive and meets the objectives of BCE's compensation philosophy and objective to grow long-term value for shareholders.

BCE operates in a highly competitive market and our approach to compensation is designed to ensure the attraction and retention of the best talent to enable the execution of our strategy and the delivery of value to our shareholders. The determination of executive compensation follows a rigorous governance process that includes all relevant considerations. The Compensation Committee, with the assistance of independent external advisors, benchmarks executive compensation every year with peers with whom we compete for talent. This ensures BCE can properly assess the relative competitiveness of its executive compensation programs in the context of the highly competitive market for talent in which it operates. Although BCE does not use specific vertical benchmarking metrics such as the CEO-to-median company employee pay ratio to determine the relative competitiveness of BCE's executive compensation programs, the Compensation Committee does strive

to ensure internal equity and fairness of compensation throughout the BCE organization to ensure the approach to compensation at the executive level is aligned with the approach at the non-executive level. The Compensation Committee also continues to look at various metrics that may further enhance its perspective and understanding of the components it takes into account when setting both executive and non-executive compensation.

As a result of this process, the entire Board, on the recommendation of the Compensation Committee, approves the compensation of the President and CEO and senior executives. The Board believes its approach to executive compensation is aligned with the best interests of shareholders, as demonstrated amongst other things by more than 95.5% approval of the advisory resolution on executive compensation at the 2015 shareholder meeting.

The Board believes that the Compensation Committee has been composed in accordance with governance best practices and that it would be inappropriate to impose restrictive criteria and limitations to the composition of Board committees such as the one suggested by Proposal no. 2 with regard to the composition of the Compensation Committee, particularly considering the wide spread use of horizontal benchmarking across all sectors of the economy and levels in the workforce. The Compensation Committee and the Board remain committed to engaging with shareholders and to reviewing each year its approach to executive compensation to ensure that it remains appropriate.

**For these reasons, the Board of Directors recommends that shareholders vote AGAINST this proposal.**



## Electronic delivery

We encourage shareholders to sign up to receive BCE's corporate information electronically. You can choose to receive all of our corporate documents electronically, such as future annual reports. We will send you an e-mail telling you when they are available on our website.

To sign up, go to our website at [BCE.ca](http://BCE.ca), click on the banner "2016 Annual General Shareholder Meeting" and then on the relevant link under the heading "Sign up for electronic delivery".

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## Information

If you have any question about the information contained in this document or require assistance in completing your proxy form or voting instruction form, please contact the Corporation's proxy solicitation agent, D.F. King.

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