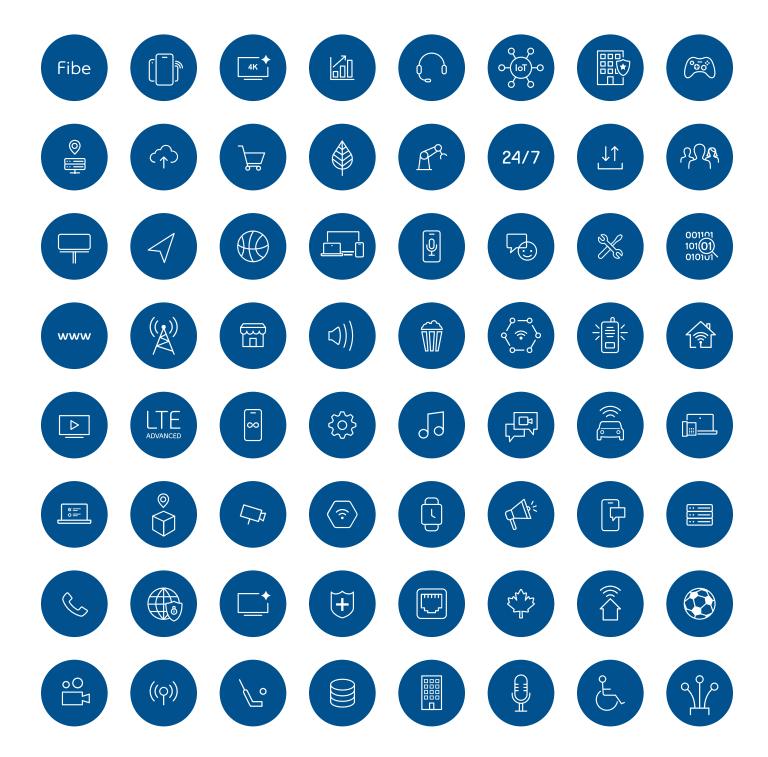
Building Better Experiences









8 The Board of Directors' letter to shareholders

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 2019.

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 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 grow long-term shareholder value. 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 the CEO look-back table, which can be found in section 10, entitled *President and CEO compensation*. This is also reflected in our annual "Say on Pay" advisory vote which continued to receive solid support last year at 87.5% of the votes cast in favour of our executive compensation program.

2019 FINANCIAL PERFORMANCE HIGHLIGHTS

Our 2019 executive compensation decisions reflect the strong financial performance delivered by the BCE leadership team this year.

In 2019, the dividend increased by 5% to reach \$3.17 per share. With the announcement of another increase of 5% in 2020, while remaining within free cash flow⁽¹⁾ payout policy range of 65%–75%, this will bring the annual dividend payout to \$3.33 per share. The 2020 dividend increase represents the sixteenth increase to BCE's annual common share dividend since 2009, totalling a 128% increase. This is BCE's 12th consecutive year of 5% or better dividend growth.

2019 marked a year of strong performance across all our segments and we achieved all 2019 financial guidance targets:

 Revenue increased 2.1%, with growth across all three of our Bell segments and reflected both higher service and product revenues.

- Adjusted EBITDA⁽¹⁾ grew 6.0% in 2019, compared to 2018, reflecting
 favourable contributions from all three of our segments. The growth
 was driven by higher revenues together with lower operating expenses,
 reflecting the favourable impact from the adoption of IFRS 16 in 2019
 and effective cost containment. This resulted in an adjusted EBITDA
 margin⁽¹⁾ of 42.2% compared to 40.6% last year.
- Adjusted EPS⁽¹⁾ of \$3.50 in 2019 reflects higher adjusted EBITDA offset by higher depreciation and amortization, higher income taxes and higher interest expenses. The 7.0% growth in free cash flow⁽¹⁾, in line with our guidance growth target of 7% to 12%, supported the 2019 dividend increase.
- (1) Adjusted EBITDA, adjusted EBITDA margin, adjusted EPS and free cash flow are non-GAAP financial measures and do not have any standardized meaning under International Financial Reporting Standards (IFRS). Therefore, they are unlikely to be comparable to similar measures presented by other issuers. Refer to page 53 of this circular and section 10.2, Non-GAAP financial measures and key performance indicators (KPIs), at page 105 of BCE's 2019 Annual Report for more details.

OUR KEY COMPENSATION DECISIONS FOR 2019

BCE's compensation policies and programs are reviewed regularly to ensure that they are still competitive, linked to performance and aligned with shareholders' interests. Our compensation programs remained largely unchanged in 2019.

As noted below in the section entitled *Looking ahead to 2020*, the Compensation Committee will conduct a full review of BCE's Long-term Incentive Plan in 2020.

BASE SALARY

Our target positioning for base salaries is 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. Consideration is also given to experience, performance and internal equity. In 2019, aggregate NEO salaries increased by 3% over 2018 which is largely attributable to Mr. Bibic's change in compensation upon promotion to

Chief Operating Officer in October 2018. Details about changes to base salaries of 2019 NEOs can be found in section 11, entitled *Compensation of our named executive officers*.

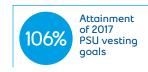
ANNUAL SHORT-TERM INCENTIVE PLAN

Annual short-term incentive targets remained at 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 on critical financial metrics (adjusted EBITDA, revenue and free cash flow) and operating metrics (based on BCE's 6 Strategic Imperatives).



In 2019, the Corporation demonstrated growth across all financial metrics, achieved all financial guidance targets and maintained solid performance on the 6 Strategic

Imperatives. Consequently, we approved a corporate performance index of 107% 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%.



LONG-TERM INCENTIVE PLAN In 2019, BCE's long-term incentive plan continued to be comprised of 50% RSUs, 25% PSUs and 25% option grants, with PSU perfor-

mance vesting criteria aligned with BCE's dividend growth strategy.

The 2017 PSU grants, which vested in 2019, achieved 106% payout with free cash flow per share to support our dividend increases exceeding target and falling within our target payout ratio of 65%–75% of free cash flow available to common shareholders.

ORGANIZATIONAL CHANGES IN 2019 AND 2020

On June 28, 2019, BCE announced that Mr. George Cope, President and CEO would retire on January 5, 2020, after almost 12 highly successful years in the CEO role, and the appointment of Mr. Mirko Bibic, Chief Operating Officer, as Mr. Cope's successor upon his retirement.

Upon Mr. Bibic's appointment in January 2020, additional changes were made to the senior leadership team, with promotions for two of our current executives, an additional retirement and two new members of the senior leadership team promoted from within BCE's executive ranks:

- Mr. Blaik Kirby was appointed to Group President, Mobility, Residential and Small Business
- Mr. John Watson was appointed to Group President, Customer Experience
- Ms. Martine Turcotte, Vice Chair, Québec, retired on January 1, 2020 after more than 30 years with BCE
- Ms. Claire Gillies was promoted to President, Bell Mobility, reporting to Mr. Kirby
- Ms. Karine Moses was promoted to Vice Chair, Québec, succeeding Ms. Turcotte and reporting to Mr. Bibic, in addition to her responsibilities as President, Bell Media Québec.

The appointment of the new President and CEO and the confirmation of his senior leadership team were the culmination of a rigorous succession planning and transition process directed by the Board and Compensation Committee, aimed at ensuring the ongoing strength and stability of BCE's executive team. The transition reflects the high quality of internal candidates and effectiveness of the succession planning process at BCE.

For 2019, Mirko Bibic in his role as Chief Operating Officer, Stephen Howe, and Wade Oosterman, together with George Cope and Glen LeBlanc, are BCE's named executive officers (NEOs).

2019 AND 2020 CEO COMPENSATION

In 2019, the Board and the Compensation Committee set the compensation of Mr. Cope for 2019 and also established the compensation for Mr. Bibic as incoming President and CEO for 2020.

No changes were made to Mr. Cope's target total direct compensation for 2019. As a result, 87% of Mr. Cope's target total direct compensation was considered to be at risk in 2019, 20% pertaining to his annual short-term incentive and 67% to long-term incentives.

Mr. Cope's actual compensation for 2019 was \$12.6 million, up by 5% compared to 2018, as a result of the increase in the amount of his 2019 short-term incentive plan award (\$3.5 million in 2019 versus \$2.8 million in 2018). This increase was driven by the strong corporate performance result (107% in 2019 versus 95% in 2018) and also reflects the Board and Compensation Committee's recognition, through his individual performance index, of Mr. Cope's outstanding personal performance and leadership in delivering growth across all financial metrics, while leading the Bell team in its strong operational performance and strategic progress. In addition, this year Mr. Cope ensured a smooth transition to the new CEO allowing the company to maintain its strong momentum.

In 2019, the Board and Compensation Committee also reviewed and approved the terms of Mr. Cope's retirement in accordance with the provisions of BCE's compensation, pension and benefits plans. No additional retirement allowance or bonus was paid to Mr. Cope upon his retirement.

With respect to Mr. Bibic's compensation, upon his appointment as President and CEO in January 2020, his target total direct compensation for 2020 was set at \$9.25 million. This represents a decrease of just over 10%, or \$1.13 million, from Mr. Cope's 2019 target total direct compensation, reflective of Mr. Bibic's tenure as newly appointed CEO, and market positioning below market median. No sign-on bonuses or one-time payments were awarded to Mr. Bibic upon his appointment.

Finally, in 2019 the Compensation Committee was again presented with a CEO vertical pay ratio analysis, including a comparison between the CEO's total direct compensation and the median annual total direct compensation for all employees. This analysis was provided for the Compensation Committee's information and to provide additional context as the Compensation Committee determined its compensation recommendations for 2020, as described later in section 9.2, entitled Setting executive compensation.

LOOKING AHEAD TO 2020

ANNUAL SHORT-TERM INCENTIVE PLAN

OUR GOAL: ADVANCING HOW CANADIANS CONNECT WITH EACH OTHER AND THE WORLD

The operational metrics of BCE's annual incentive program (AIP) for 2019 is assessed based on the 6 Strategic Imperatives, outlined further in section 9.6, entitled 2019 Compensation elements. The 2020 AIP is established with the same framework, but is now aligned to BCE's new goal; Advancing how Canadians connect with each other and the world, and the 6 new Strategic Imperatives announced in January 2020:

- · Build the best networks
- Drive growth with innovative services
- · Deliver the most compelling content
- Champion customer experience
- · Operate with agility and cost efficiency
- · Engage and invest in our people

Results against these imperatives continue to account for 25% of the corporate performance index, and include new metrics to align to these new imperatives. In addition, the Compensation Committee has introduced a metric to track corporate performance against our ESG targets, certain of which are disclosed in our corporate responsibility report.

LONG-TERM INCENTIVE PLAN

The Compensation Committee believes the Long-Term Incentive Plan (LTIP) has served the company well, aligning executive returns with shareholders, and allows us to attract and retain talent that has ensured strong performance over the past 9 years since it was introduced.

As the current structure of BCE's LTIP has remained largely unchanged since 2011, the Compensation Committee will conduct a comprehensive review of the plan in 2020, including with regard to the use and weightings of PSUs, performance stock options (PSOs), stock options and RSUs, with a view to, amongst other things, attaching performance criteria to 50% of LTIP grants, and ensuring continued alignment with the objectives of BCE's executive compensation strategy and shareholders' interests. Changes resulting from the review will be implemented effective with the 2021 grant and disclosed in the 2021 proxy circular.

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 reach us through 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.

Gordon M. Nixon

Chair of the Board

March 5, 2020

Robert E. Brown

Den KEZnom

Chair of the Compensation Committee