Q1 2023 Results Conference Call

May 4, 2023

Bell

Safe harbour notice

Certain statements made in this presentation are forward-looking statements. These forward-looking statements include, but are not limited to, statements relating to BCE's financial guidance (including revenues, adjusted EBITDA, capital intensity, adjusted EPS and free cash flow), BCE's 2023 annualized common share dividend, BCE's planned capital expenditures for 2023, BCE's network deployment plans and anticipated capital expenditures as well as the benefits expected to result therefrom, expected stronger adjusted EBITDA growth trajectory from our Bell Communication and Technology Services (Bell CTS) segment for the balance of 2023, expected cash pension funding savings in 2023, the expectation that BCE's balance sheet and liquidity will support its strategic priorities and common share dividend in 2023, the proposed acquisition of FX Innovation, BCE's business outlook, objectives, plans and strategic priorities, and other statements that are not historical facts. A statement we make is forward-looking when it uses what we know and expect today to make a statement about the future. Forward-looking statements are typically identified by the words *assumption*, *goal*, *guidance*, *objective*, *outlook*, *project*, *strategy*, *target* and other similar expressions or future or conditional verbs such as *aim*, *anticipate*, *believe*, *could*, *expect*, *intend*, *may*, *plan*, *seek*, *should*, *strive* and *will*. All such forward-looking statements are made pursuant to the 'safe harbour' provisions of applicable Canadian securities laws and of the United States *Private Securities Litigation Reform Act of 1995*.

Forward-looking statements, by their very nature, are subject to inherent risks and uncertainties and are based on several assumptions, both general and specific, which give rise to the possibility that actual results or events could differ materially from our expectations expressed in or implied by such forward-looking statements. These statements are not guarantees of future performance or events, and we caution you against relying on any of these forward-looking statements. For a description of such assumptions and risks, please consult BCE's 2022 Annual MD&A dated March 2, 2023, as updated in BCE's 2023 First Quarter MD&A dated May 3, 2023, and BCE's news release dated May 4, 2023 announcing its financial results for the first quarter of 2023, all filed with the Canadian provincial securities regulatory authorities (available at sedar.com) and with the U.S. Securities and Exchange Commission (available at sec.gov), and which are also available on BCE's website at BCE.ca.

The forward-looking statements contained in this presentation describe our expectations at May 4, 2023 and, accordingly, are subject to change after such date. Except as may be required by applicable securities laws, we do not undertake any obligation to update or revise any forward-looking statements contained in this presentation, whether as a result of new information, future events or otherwise.

Q1 highlights & progress on strategic imperatives

Financial performance

- **Q1 consolidated financial performance in line with plan**
- **Revenue up 3.5%; adjusted EBITDA[1] and net earnings down 1.8% and 15.6% respectively**
  - Q1'22 included one-time retroactive subscriber revenue adjustment at Bell Media and minimal inflationary cost pressures

Capital acceleration to build the best networks

- **On pace with direct fibre buildout plan to approx. 650K new locations in 2023**
- **5G coverage at 83% — growing to 85% of Canadian population by year-end**
  - 5G+ coverage on 3.5 GHz spectrum at 40% — national coverage on track to reach 46% in 2023[2]
- **Bell Mobility's 5G network recognized for network quality and overall experience[3]**

High-value wireless subscribers

- **Total mobile phone and connected device net additions of 97,377, up 20.1% y/y**
- **Wireless service revenue up 5.4% y/y**
- **Exclusive, multi-year agreement with Staples Canada to sell Bell residential and SMB services**
- **Multi-year agreement with Air Canada: Bell is premier in-flight Wi-Fi sponsor; free in-flight messaging for Aeroplan members; on board SIM card availability**

(1) Adjusted EBITDA is a total of segment measures. Refer to section *Total of segments measures* in the Appendix to this document for more information on this measure

(2) 71% of addressable population (addressable population excludes population impacted by 5G restrictions near airports and areas where 3.5 GHz spectrum is not yet available due to timing)

(3) Opensignal Mobile Network Experience Report (based on data collected from October 1-December 29, 2022); Ookla Q1 2023 Network Performance Report

Q1 highlights & progress on strategic imperatives (cont'd)

Broadband growth & residential market share

- **Retail FTTH Internet net additions of 48K, up 24.2% y/y**
- **~1.1 million, or 47% of total FTTH subscribers, on Gigabit+ speeds**
  - Broadest Multi-Gig footprint with 3 Gbps+ symmetrical speeds available in over 5M locations
  - 4 million homes with access to symmetrical Internet speeds of 8 Gbps by end of 2023
- **10% residential Internet revenue growth**

Advanced products & services to drive 5G-IoT growth

- **Expanded partnership with Palo Alto Networks for cloud security**
- **Acquisition of FX Innovation, a leading Quebec-based IT services and consulting company providing cloud-focused managed and professional services and workflow automation solutions**

Digital-first media strategy

- **Digital advertising revenues[(1)] up 4% y/y**
- **1.1M Crave direct-to-consumer (DTC) streaming subscribers, up 24% y/y**
- **Launch of TSN+, a new DTC streaming service available on TSN.ca and the TSN app**

[(1)] Digital advertising revenues are comprised of advertising revenue from digital platforms including web sites, mobile apps, connected TV apps and OOH digital assets/platforms, as well as advertising procured through Bell digital buying platforms.

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Q1 highlights & progress on strategic imperatives (cont'd)

Champion customer experience

- **Bell continues to lead national peers in CCTS performance improvement[1]**
  - 6% reduction in customer complaints; share of overall complaints down 16% y/y and 55% in past 5 years
  - Bell is only national service provider to experience a decrease in complaints
- **Ongoing improvements to award-winning online self-serve functionalities and internal tools**
- **Cellular CPI essentially flat y/y vs. overall CPI increase of 4.3%[2]**

Bell For Better

- **Integrated Annual Report — first for Bell and first among major communications companies in North America**
- **Bell named 3rd most sustainable telecom company globally[3]**
- **One of Canada's most family-friendly employers and top employer for young people[4]**

(1) Commission for Complaints for Telecom-television Services (CCTS), 2022-2023 Mid-Year Report
(2) Statistics Canada Consumer Price Index – March 2023 (03/01/2022 to 03/01/2023)
(3) Corporate Knights 2023 Global 100 ranking of the most sustainable corporations in the world
(4) Mediacorp Canada Inc.'s Canada's Top Family-Friendly Employers and Canada's Top Employers for Young People for 2023

Consistent focus on purpose-driven strategic imperatives strongly positions Bell to deliver for customers, innovators, communities, team members and investors in 2023 and beyond

Q1 operating metrics

Wireless

43,289
Postpaid net adds
Up 26.5% y/y
- Mobile phone gross adds up 18.2%

44%
Postpaid subscribers with 5G-enabled devices
Up 18 pts y/y

$58.15
Blended ARPU[1]
Up 0.9% y/y
- 8th consecutive quarter of growth

70,742
Mobile connected device net adds
Up 44.7% y/y

Wireline

27,274
Retail Internet net adds
Up 4.8% y/y
- Retail gross adds up 27% y/y
- ~70% of new activations on 1 Gig+

47,757
FTTH Internet net adds
Up 24.2% y/y

10,899
Retail IPTV net adds
Down 1.4K y/y
- 24,848 Satellite net losses, up 4.2K

46,881
Retail residential NAS net losses
Up 4.5K y/y

Media

2%
Total digital revenue[2] growth

3.2M
Crave subscribers
Up 6% y/y
- 24% growth in DTC subscribers

TSN & RDS
#1 sports TV channels[3],[4]
- Super Bowl LVII most-watched broadcast of 2022/2023 season[5]

French TV
#1 Specialty/Pay[6]
- Vendre ou rénover: most-watched in Q1
- Survivor Quebec: #1 new show[7]

(1) Effective Q1 2023, as a result of the segment reporting changes impacting intersegment eliminations, ARPU has been updated and is defined as Bell CTS wireless external services revenues (previously wireless operating service revenues) divided by the average mobile phone subscriber base for the specified period, expressed as a dollar unit per month.

(2) Digital revenues are comprised of ad revenue from digital platforms including web sites, mobile apps, connected TV apps and OOH digital assets/platforms, as well as advertising procured through Bell digital buying platforms and subscription revenue from DTC services and Video on Demand services.

(3) TSN: Numeris, P2+ Total Canada, Q1 2023
(4) RDS: Numeris, P2+, French Quebec, Q1 2023
(5) TSN/CTV/RDS: Numeris, P2+, Total Canada, 2022/2023 broadcast YTD
(6) Numeris, A25-54+, French Quebec, Overall & Primetime, Q1 2023
(7) Premiered April 2 on conventional TV channel Noovo

Network leadership, customer experience focus and digital-first media strategy delivered strong Q1 metrics in seasonally slow quarter

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Financial Results

Consolidated financial results

($M) except per share data	Q1'23	Y/Y
Revenue	**6,054**	**3.5%**
Service	5,222	0.9%
Product	832	23.6%
Adjusted EBITDA	**2,538**	**(1.8%)**
Margin(1)	41.9%	(2.3 pts)
Net earnings	**788**	**(15.6%)**
Statutory EPS	**0.79**	**(17.7%)**
Adjusted EPS(2)	**0.85**	**(4.5%)**
Capital expenditures (capex)	**1,086**	**(13.2%)**
Capital Intensity(3)	17.9%	(1.5 pts)
Cash flows from operating activities	**1,247**	**(27.3%)**
Free cash flow (FCF)(2)	**85**	**(88.1%)**

(1) Adjusted EBITDA margin is defined as adjusted EBITDA divided by operating revenues.

(2) Adjusted EPS is a non-GAAP ratio and free cash flow (FCF) is a non-GAAP financial measure. Refer to section *Non-GAAP ratios* and section *Non-GAAP financial measures* in the Appendix to this document for more information on these measures.

(3) Capital intensity is defined as capital expenditures divided by operating revenues.

- **Revenue up 3.5% y/y on strong wireless and Internet growth and higher product sales**
- **In line with plan, adjusted EBITDA down 1.8%**
  - Q1'22 result reflected favourable one-time retroactive subscriber revenue adjustment at Bell Media
- **Net earnings and statutory EPS down 15.6% and 17.7% respectively, due mainly to higher y/y interest expense, higher depreciation and lower adjusted EBITDA**
- **Adjusted EPS of $0.85, down 4.5% y/y**
- **Cash flows from operating activities and FCF down y/y, reflecting timing of working capital, cash tax instalments and capex, higher interest paid and decline in adjusted EBITDA**
- **Capex on track with planned spending of ~$4.8B for FY2023**

Financial results in line with Q1 budget

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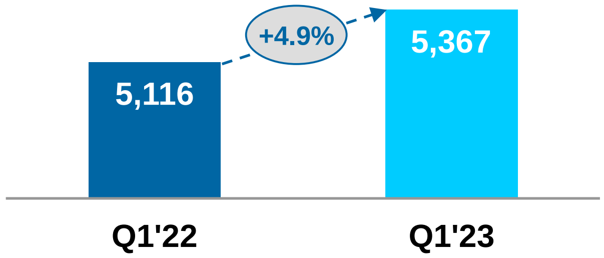
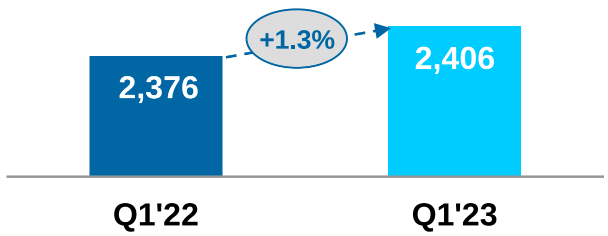
Bell Communication & Technology Services

Revenue ($M)



Adjusted EBITDA ($M)

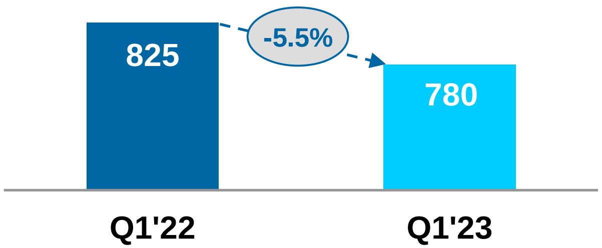


- **Service revenue up 2.1%, driven by strong 10% residential Internet and 5.4% wireless growth**
- **Improving business wireline results**
  - Best quarterly service revenue performance since Q3'20
  - Global data equipment shortages alleviating
- **Product revenue up 23.6% on higher business data equipment sales, greater sales mix of higher-value mobile phones and higher overall wireless transaction volumes**
- **Adjusted EBITDA up 1.3% y/y**
  - Q1 growth moderated by expected cost pressures related to inflation, strategic initiatives, TV content pricing and normalization of cost structure to pre-COVID levels

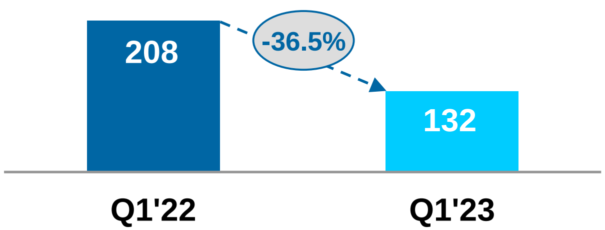
Stronger adjusted EBITDA growth trajectory expected for balance of 2023

Bell Media

Revenue ($M)



Adjusted EBITDA ($M)



- **Advertising revenue down 4.7% y/y**
  - Softer overall TV and radio advertiser demand due to current unfavourable economic conditions
  - Continued out of home recovery
- **Subscriber revenue down 4.1% y/y**
  - Q1’22 result reflected favourable one-time retroactive subscriber revenue adjustment
- **Total digital revenues up 2% y/y**
- **Adjusted EBITDA down 36.5% y/y**
  - 5.0% growth in operating costs reflects ongoing contractual price increases for content and the normalization of hockey schedules in 2023

Advertising market expected to begin gradually improving as the year progresses

Balance sheet & liquidity update

Available liquidity[1]

~$3.7B

incl. $651M in cash

*At March 31, 2023

Net debt leverage ratio[1]

~3.4x

*At march 31, 2023

Solvency ratio[2]

~118%

*Aggregate of BCE DB plans at March 31, 2023

- **~$3.7B total available liquidity at end of Q1**
- **Net debt leverage ratio at ~3.4x**
  - Lowest among national peers
  - $1.5B public debt offering in February 2023
  - Weighted average annual after-tax cost of public debt of ~2.9% with average term to maturity of ~13 years
- **Substantial pension solvency surplus of ~$3.7B across aggregate of all BCE DB plans**
  - Cash pension funding savings of ~$230M in 2023

(1) Available liquidity is a non-GAAP financial measure and net debt leverage ratio is a capital management measure. Refer to section *Non-GAAP financial measures* and section *Capital management measures* in the Appendix to this document for more information on these measures.

(2) Pension plan solvency ratio is defined as post-employment benefit assets on a solvency basis divided by post-employment benefit liabilities on a solvency basis, calculated in accordance with the Pension Benefits Standards Act, 1985 and its related regulation (PBSA). The Office of the Superintendent of Financial Institutions by way of the PBSA requires companies to perform solvency valuations, including the calculation of pension plan solvency ratios, for federally registered pension plans on a periodic basis. A solvency valuation basis assumes termination of the pension plans on the valuation date.

Healthy balance sheet with ample liquidity to support strategic priorities and higher common share dividend in 2023

Financial targets for 2023

BCE	2022	2023E	Q1 2023
Revenue growth	3.1%	1% to 5%	3.5%
Adjusted EBITDA growth	3.1%	2% to 5%	(1.8%)
Capital intensity	21.2%	19% to 20%	17.9%
Adjusted EPS growth[(1)]	5.0%	(3%) to (7%)	(4.5%)
Free cash flow growth[(2)]	2.9%	2% to 10%	(88.1%)
Annual common share dividend[(3)]	$3.68	$3.87	$3.87

(1) For 2023, we expect lower tax adjustments, higher depreciation and amortization expense and increased interest expense to drive lower adjusted EPS

(2) For 2023, we expect growth in adjusted EBITDA, a reduction in contributions to post-employment benefit plans and payments under other post-employment benefit plans, and lower capital expenditures will drive higher free cash flow

(3) Increase to $3.87 per share from $3.68 per share effective with Q1 2023 dividend

Reconfirming all 2023 financial guidance targets

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Appendix

Non-GAAP and other financial measures

BCE uses various financial measures to assess its business performance. Certain of these measures are calculated in accordance with International Financial Reporting Standards (IFRS or GAAP) while certain other measures do not have a standardized meaning under GAAP. We believe that our GAAP financial measures, read together with adjusted non-GAAP and other financial measures, provide readers with a better understanding of how management assesses BCE's performance.

National Instrument 52-112, *Non-GAAP and Other Financial Measures Disclosure*, prescribes disclosure requirements that apply to the following specified financial measures: (i) non-GAAP financial measures; (ii) non-GAAP ratios; (iii) total of segments measures; (iv) capital management measures; and (v) supplementary financial measures. This Appendix identifies and classifies the specified financial measures contemplated by National Instrument 52-112 that we use in this presentation to explain our financial results except that, for supplementary financial measures, an explanation of such measures is provided where they are first referred to in this presentation if the supplementary financial measures labelling is not sufficiently descriptive.

Non-GAAP financial measures

Adjusted net earnings

Adjusted net earnings is a non-GAAP financial measure and it does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. Refer to section 9.1, *Non-GAAP financial measures – Adjusted net earnings*, of BCE's 2023 First Quarter MD&A, which is incorporated by reference herein, for more information concerning this measure, including a reconciliation to net earnings attributable to common shareholders, being the most directly comparable IFRS financial measure.

Available liquidity

Available liquidity is a non-GAAP financial measure and it does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. Refer to section 9.1, *Non-GAAP financial measures – Available liquidity*, of BCE's 2023 First Quarter MD&A, which is incorporated by reference herein, for more information concerning this measure, including a reconciliation to cash, being the most directly comparable IFRS financial measure.

Free cash flow

Free cash flow is a non-GAAP financial measure and it does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. Refer to section 9.1, *Non-GAAP financial measures – Free cash flow and excess free cash flow*, of BCE's 2023 First Quarter MD&A, which is incorporated by reference herein, for more information concerning this measure, including a reconciliation to cash flows from operating activities, being the most directly comparable IFRS financial measure.

Non-GAAP and other financial measures (cont'd)

<u>Non-GAAP financial measures (cont'd)</u>

Net debt

Net debt is a non-GAAP financial measure and it does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. Refer to section 9.1, *Non-GAAP financial measures – Net debt*, of BCE's 2023 First Quarter MD&A, which is incorporated by reference herein, for more information concerning this measure, including a reconciliation to long-term debt, being the most directly comparable IFRS financial measure.

<u>Non-GAAP ratios</u>

Adjusted EPS

Adjusted EPS is a non-GAAP ratio and it 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 EPS as adjusted net earnings per BCE common share. Adjusted net earnings is a non-GAAP financial measure. For further details on adjusted net earnings, refer to section *Non-GAAP financial measures* above. Refer to section 9.2, *Non-GAAP ratios – Adjusted EPS*, of BCE's 2023 First Quarter MD&A, which is incorporated by reference herein, for more information concerning adjusted EPS.

<u>Total of segments measures</u>

Adjusted EBITDA

Adjusted EBITDA is a total of segments measure. Refer to section 9.3, *Total of segments measures – Adjusted EBITDA*, of BCE's 2023 First Quarter MD&A, which is incorporated by reference herein, for more information concerning this measure, including a reconciliation to net earnings, being the most directly comparable IFRS financial measure.

<u>Capital management measures</u>

Net debt leverage ratio

The net debt leverage ratio is a capital management measure and represents net debt divided by adjusted EBITDA. Net debt used in the calculation of the net debt leverage ratio is a non-GAAP financial measure. For further details on net debt, refer to section *Non-GAAP financial measures* above. For the purposes of calculating our net debt leverage ratio, adjusted EBITDA is twelve-month trailing adjusted EBITDA. We use, and believe that certain investors and analysts use, the net debt leverage ratio as a measure of financial leverage.