

BCE

2014 Corporate Responsibility Report



BCE AT A GLANCE

TEAM MEMBERS

For the third year in a row, one of Montréal's Top employers by Mediacorp Canada

82% of team members said they are proud to work for Bell

Invested \$17.9 million in employee training

Received Excellence Canada's 2014 Gold Award for Mental Health at Work

Bell Aliant named one of Canada's Top Employers for Young People 2014

82%

\$17.9M

CUSTOMERS

Fibe TV footprint reached more than 6M households

First Canadian network operator to deliver transmission speeds of 100 Gigabits per second

99 of the top 100 companies in the country use Bell services

Ranked number 1 by Netflix for fibre optic Internet provider speeds

Maintained network availability at 99.99%

6M

100 Gbit/s

99%

No. 1

99.99%

COMMUNITY

Bell Let's Talk commitment to mental health increased to \$73 million

Donated a record-setting \$2.5 million to mark the 25th anniversary of Kids Help Phone

Donated 10,456 used computers to schools and non-profits

Since 2002, Bell team members have raised \$9.7 million for Kids Help Phone

Included on the 2014 Maclean's/L'actualité/Sustainalytics list of the Top 50 Socially Responsible Corporations in Canada

\$73M

\$2.5M

10,456

\$9.7M

Top 50

ENVIRONMENT

Recovered more than 1.6 million mobile phones since 2003

Canada's first telecom signatory to the United Nations Global Compact (UNGC)

Bell is the first and only telecommunications company in Canada to obtain ISO 14001 certification for its environmental management system

Prevented the release of nearly 43.5 kilotonnes of CO₂ equivalent since 2008

Total of 44 buildings certified BOMA BEST

1.6M

43.5 kt

44

ECONOMY

Over \$3.5 billion invested to deploy broadband networks

Investing \$20 billion through the end of 2020 to propel Canada's digital economy

Injected \$4.4 billion into the economy in wages and benefits

Total shareholder return of 194% since the end of 2008

Ranked fourth among Canada's Top 100 corporate spenders in R&D

\$3.5B

\$20B

\$4.4B

194%

Top 100

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EXECUTIVE SUMMARY

BCE is
Canada's
Largest
Communications
Company.

ON-TARGET PROGRESS

BCE Inc. ("BCE") is committed to being a leader in corporate responsibility. In 2014, we continued to proactively advance that commitment and are on track to achieve our goal of becoming Canada's leading communications company.

Bell provides a comprehensive and innovative suite of broadband communications and content services—IPTV, satellite TV, high-speed Internet, wireless and wireline telephone—under the Bell Canada and Bell Aliant brands to consumers and business customers in Canada.

Bell Media is Canada's premier multimedia company, with leading assets in television, radio, out-of-home and digital media, including CTV, and specialty channels. Bell is also a significant investor in Canada's leading sport and entertainment institutions, the Montréal Canadiens, Maple Leaf Sports and Entertainment, and the owner of The Source. The cornerstone of our community commitment is the Bell Let's Talk mental health initiative, which promotes better mental health across Canada.

Guided by our sustainability vision to contribute to the well-being of society by providing high quality jobs, enabling responsible economic growth, connecting communities and safeguarding the environment, BCE is committed to maintaining the security of customer information, responsible procurement along our supply chain, radio frequency emissions, energy consumption and electronic waste management.

This report is organized in 5 sections that reflect our priorities:

1

Team members

Bell is committed to attracting, developing, engaging and retaining talented and diverse employees. This section outlines our significant advancements in creating a diverse and inclusive environment that drives employee engagement and stimulates career and leadership development. Bell is also a leader in the development and implementation of guidelines for a psychologically healthy workplace and we are committed to protecting the personal privacy, human rights, and occupational health and safety of employees.



2

Customers and suppliers

We have invested billions of dollars to expand and enhance our industry-leading broadband fibre and mobile networks and to add Canadian customer contact centres and enrich our online self-serve options. We also continue to update our capacity to accommodate the special needs of customers with disabilities and we carefully manage our responsible procurement process.



3

Community

The cornerstone of our community commitment is the Bell Let's Talk mental health initiative, our largest community program and the largest corporate commitment to mental health ever in Canada. Our annual Bell Let's Talk Day set records in early 2015 and Clara Hughes raised awareness around the country with Clara's Big Ride last spring. Other initiatives include our work to improve online security for young people as well as filling school backpacks and distributing used computing equipment.



4

Environment

Bell is the first and only Canadian telecom company to be ISO 14001-certified for our environmental management system. As part of this system, we manage recovery and recycling programs for our own waste, as well as stewardship programs for our customers' electronic waste. We make every effort to be environmentally responsible when deploying and maintaining networks, building our offices, and consuming energy and other resources.



5

Economy

Bell spends more than \$3.5 billion a year to build leading networks and has recently announced plans to invest \$20 billion in capital by the end of 2020. Employing over 57,000 people, Bell injects another \$4.4 billion a year into the economy in wages and benefits. The company provides products and services that enable Canadians to operate more efficiently and compete globally, with 99 of the top 100 Canadian corporations using Bell services.



KEY OBJECTIVES AND RESULTS

Our key performance indicators encompass all sectors of corporate responsibility. Here is a summary of our progress against objectives in 2014.

KPI	VERIFICATION	2014 OBJECTIVES	2014 RESULTS	PERFORMANCE	2015 OBJECTIVE	RELATED GRI REFERENCE	RELATED GLOBAL COMPACT PRINCIPLE
Corporate governance and business ethics	ISS	Remain a leader in corporate governance and ethical business conduct by maintaining best practices, transparency and accountability to our stakeholders.	ISS QuickScore: 1. ¹	✓	Remain a leader in corporate governance and ethical business conduct by maintaining best practices, transparency and accountability to our stakeholders.	—	1-10
Management systems	BSI Management Systems America, Inc.	Maintain ISO 14001 certification for our EMS.	Maintained ISO 14001 certification for our EMS for 6th year in a row. ²	✓	Maintain ISO 14001 certification for our EMS.	—	8
Community investment	Pricewaterhouse Coopers LLP	Make a meaningful contribution to improving mental health in Canadian communities through 4 key action pillars: anti-stigma, care and access, research and workplace health.	Bell contributed \$20.2M in community investment, mental health and other initiatives, including workplace mental health programs.	✓	Make a meaningful contribution to improving mental health in Canadian communities through 4 key action pillars: anti-stigma, care and access, research and workplace health.	G4-EC1	—
Climate change	Pricewaterhouse Coopers LLP	Redefine our objective in light of the recent business transformations.	Objective redefinition delayed until 2017 due to Bell Aliant reintegration into reporting. Greenhouse gas (GHG) emissions in 2014 were 411.98 kilotonnes of CO ₂ equivalent.	n/a	Redefine our objective in light of the recent business transformations. Continue to report our GHG emissions.	G4-EN15 G4-EN16 G4-EN17	7, 8
Materials recovery	Pricewaterhouse Coopers LLP	Reach a diversion rate for recovered waste of 75% in 2016.	In 2014, our diversion rate increased to 69.4%. ³	Tracking to 2016 target	Reach a diversion rate for recovered waste of 75% in 2016.	G4-EN23	7, 8
Service access	Pricewaterhouse Coopers LLP	Pursue network investment to expand LTE coverage in smaller markets and rural areas.	At the end of 2014, 86% of the country's population had access to Bell's 4G LTE wireless network, an increase of 6 percentage points over 2013.	✓	Expand 4G LTE coverage in smaller markets and rural areas to serve 98% of Canadian population at year end. ⁴	—	—

1 Score as of May 2015. We report the most recent update to our score at the time of publication because it reflects performance for the previous year. Score indicates decile rank relative to peer group. A decile score of 1 indicates lower governance risk, while a 10 indicates higher governance risk

2 The scope includes all Bell Canada business sectors, including wireline, wireless, television and internet services, broadband, data hosting and cloud computing services, in addition to related general administrative functions (excluding Bell Media operations and former Bell Aliant operations in Atlantic Canada)

3 Excluding BCE Nexxia and Bell Aliant operations in Atlantic Canada

4 Assuming successful negotiation and after public announcement of provisional licence winners by Industry Canada.

KPI	VERIFICATION	2014 OBJECTIVES	2014 RESULTS	PERFORMANCE	2015 OBJECTIVE	RELATED GRI REFERENCE	RELATED GLOBAL COMPACT PRINCIPLE
Responsible procurement	Pricewaterhouse Coopers LLP	Increase the number of products covered by eco-criteria. Continuously improve our responsible procurement program.	In 2014, we developed packaging guidelines for tangible products that will be added as part of the renewal cycle for existing contracts. In addition, we added controls in our centralized procurement process to identify suppliers of products we resell, lease or distribute to customers that contain "conflict minerals".	✓	Increase the number of products covered by eco-criteria. Continuously improve our responsible procurement program.	G4-EN32 G4-LA14 G4-HR1 G4-HR10 G4-SO9	1–10
e-billing ⁵	Pricewaterhouse Coopers LLP	Increase e-billing to 46% of all bills produced by Bell (excluding Bell Aliant).	46% of all bills produced by Bell (excluding Bell Aliant) were electronic, 7 percentage points increase over 2013. 42% of all bills produced by Bell (including Bell Aliant) were electronic.	✓	Increase e-billing to 46% of all bills produced by Bell (including Bell Aliant).	—	7, 8, 9
Employee engagement	Pricewaterhouse Coopers LLP	Continue to improve employee engagement.	In 2014, Bell had an overall employee engagement score of 71%, an increase of 1 percentage point over 2013. ⁶	✓	Continue to improve employee engagement.	—	—
Health and safety	Pricewaterhouse Coopers LLP	Adopt a new H&S Policy and conduct a new round of investigation to identify workplace hazards in light of the recent business transformations. Continue to report the Time Lost Accident Frequency Rate.	In 2014, we created a new H&S policy and conducted a risk assessment to identify workplace hazards. The time lost accident frequency ⁷ rate was 1.26.	✓	Develop a centralized contractor safety management program. Continue to report the Time Lost Accident Frequency Rate.	G4-LA6	1, 2

⁵ All business and residential services (excluding Northwestel)

⁶ Includes Bell (excluding Bell Aliant), BTS and Expertech

⁷ Time Lost Accident Frequency Rate = number of time-lost accident cases × 200,000 ÷ number of worked hours.

ANOTHER YEAR OF CONSISTENT AND MEASURABLE PROGRESS

As the Bell team transforms Canada's largest communications company into an innovative competitor focused on growth services, we remain firmly committed to delivering for our customers, shareholders and communities in a responsible and sustainable manner.

This Corporate Responsibility report reviews in detail how an energized Bell team is executing a clear strategy to achieve our goal – to be recognized by customers as Canada's leading communications company – as we build on our 135-year legacy of technology and service innovation, and our commitment to workplace, community and sustainability leadership.

Bell's strategy is focused on bringing the world's best broadband network capabilities to Canada, creating innovative new communications products and delivering a better customer experience at every level. Our commitment to leadership is summed up in our 6 Strategic Imperatives:

- [Invest in broadband networks and services](#)
- [Improve customer service](#)
- [Accelerate wireless](#)
- [Leverage wireline momentum](#)
- [Expand media leadership](#)
- [Achieve a competitive cost structure](#)

As we have since our founding in 1880, Bell is leading the rollout of next-generation communications infrastructure in every region of the country, including Canada's North. We accelerate our broadband network leadership with unparalleled research and development investment, creating unique consumer products like the innovative Fibe TV app and the exclusive Restart, building better business solutions such as Canada's largest network of data hosting and cloud computing centres, and investing in the top domestic and international programming that has made Bell Media the first choice of Canadians for news, sports and entertainment.



In 2015, Bell announced plans to invest \$20 billion in new networks by the end of 2020, one of the largest capital programs in any industry in the country. Ensuring Canada remains competitive in broadband at a global level, Bell's unmatched high-speed fibre and mobile 4G LTE network deployments have also quickly made us the industry leader in the growth services of communications—Wireless, Internet, Television and Media.

Building on our 135-year legacy of technology and service innovation, and our commitment to workplace, community and sustainability leadership.

Bell services are backed by a team of more than 57,000 employees in every province and territory, meaning approximately 1 in 300 working Canadians is part of the Bell team. We serve more than 21 million customer connections nationwide, including 99 of Canada's top 100 companies. We strive to be one of Canada's top employers and consistently earn recognition as one of the most engaged workplaces in North America. Recognized for our workplace mental health programs by Excellence Canada with their 2014 Gold Award, Bell is also putting the principles of Bell Let's Talk into action within our own company.

The Bell Let's Talk initiative was propelled forward in 2014 like never before by Clara's Big Ride, the epic, 11,000-kilometre cycling journey around Canada by Olympian Clara Hughes. Riding for 110 days through every province and territory, Bell Let's Talk's national spokesperson shared the message with Canadians everywhere that we can build a nation free of the stigma around mental illness.

Sparking unprecedented new awareness, Clara's Big Ride was followed by a Bell Let's Talk Day that set all-new records for engagement with 122,150,772 calls, text messages, tweets and shares of support for the mental health cause. The campaign was the #1 trend on Twitter not only in Canada but worldwide, underlining the universal desire for action in mental health, while Forbes magazine declared Bell Let's Talk "leads the pack" in tackling challenging social and community issues. With a Bell donation of 5 cents per interaction, the result was \$6,107,538.60 in new Bell funding for mental health programs—bringing our total commitment to more than \$73.6 million.

Bell has staked out a leadership position in environmental sustainability too, remaining Canada's only telecommunications company certified to the ISO 14001 environmental standard. We reduce our environmental impact through increasingly energy-efficient facilities and fleets, and by using our own services to reduce business travel and paper usage just as our customers do. And as we strive to enhance our overall sustainability performance, participating in organizations guiding sustainability practices such as the Global eSustainability Initiative and the United Nations Global Compact.

I would like to extend my thanks to all of the Bell employees across Canada who work to make our company better every day. As we execute our strategy to be recognized as Canada's best, our team remains committed to delivering for all our stakeholders with the highest levels of corporate governance and responsibility.



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

ABOUT THIS REPORT

This report, together with the information and documents available on the Responsibility section of [BCE's website](#), summarizes our 2014 corporate responsibility (CR) performance. Bell reports based on the Global Reporting Initiative (GRI) in accordance with the GRI fourth generation of guidelines (G4) at a core level and based on the United Nations Global Compact (UNGC) principles. This report describes actions we have taken to implement these guidelines and principles, and serves as our Communication on Progress (COP), as required for all companies that endorse the UNGC.

CAUTION CONCERNING FORWARD-LOOKING STATEMENTS

Certain statements made in this report are forward-looking statements. These statements include, but are not limited to, statements relating to our business outlook, objectives, plans and strategic priorities, including, in particular, our 2015 corporate responsibility and sustainability objectives (which include, without limitation, our objectives concerning reductions in the level of our greenhouse gas emissions and objectives for achieving electricity consumption savings), our network deployment plans, the value of capital investments expected to be made by Bell Canada from 2015 to the end of 2020, and other statements that are not historical facts. Forward-looking statements are typically identified by the words assumption, goal, guidance, objective, outlook, project, strategy, target and other similar expressions or future or conditional verbs such as aim, anticipate, believe, could, expect, intend, may, plan, seek, should, strive and will. All such forward-looking statements are made pursuant to the 'safe harbour' provisions of applicable Canadian securities laws and of the United States Private Securities Litigation Reform Act of 1995.

Forward-looking statements, by their very nature, are subject to inherent risks and uncertainties and are based on several assumptions, both general and specific, which give rise to the possibility that actual results or events could differ materially from our expectations expressed in or implied by such forward-looking statements, and that our business outlook, objectives, plans and strategic priorities may not be achieved. As a result, we cannot guarantee that any forward-looking statement will materialize and we caution you against relying on any of these forward-looking statements. Refer to BCE's 2014 Annual MD&A dated March 5, 2015 (included in the BCE 2014 Annual Report), BCE's 2015 First Quarter MD&A dated April 29, 2015 and BCE's news release dated April 30, 2015 announcing its 2015 first quarter results, filed by BCE with the Canadian provincial securities regulatory authorities (available at Sedar.com) and with the U.S. Securities and Exchange Commission

(available at SEC.gov), for a description of certain risks and assumptions that could cause actual results or events to differ materially from our expectations expressed in or implied by forward-looking statements contained in this report. These documents are also available at [BCE.ca](#).

The forward-looking statements contained in this report describe our expectations as of August 7, 2015 and, accordingly, are subject to change after such date. Except as may be required by Canadian securities laws, we do not undertake any obligation to update or revise any forward-looking statements contained in this report, whether as a result of new information, future events or otherwise. Except as otherwise indicated by BCE, forward-looking statements do not reflect the potential impact of any special items or of any dispositions, monetizations, mergers, acquisitions, other business combinations or other transactions that may be announced or that may occur after August 7, 2015. The financial impact of these transactions and special items can be complex and depends on the facts particular to each of them. We therefore cannot describe the expected impact in a meaningful way or in the same way we present known risks affecting our business.

Forward-looking statements are presented in this report for the purpose of assisting readers in understanding, in particular, certain key elements of our 2015 corporate responsibility and sustainability objectives, and in obtaining a better understanding of our anticipated operating environment. Readers are cautioned that such information may not be appropriate for other purposes. The value of capital investments expected to be made by Bell Canada from 2015 to the end of 2020 assumes that capital investments will continue at current levels. However, there can be no assurance that such investment levels will be maintained, with the result that the value of actual capital investments made by Bell Canada during such period could materially differ from current expectations.

FORMAT

As part of our objective to reduce our carbon footprint, since 2007 our annual Corporate Responsibility Report is available online only. It is designed to be accessible, easily read on a standard computer screen and most screen readers used by the visually impaired. A 2-page highlights document is also available on BCE.ca.

REPORT BOUNDARIES

This report covers the period from January 1, 2014 to December 31, 2014. Unless otherwise stated, data are valid as at December 31, 2014. This report contains data about the BCE group of companies, which includes, unless otherwise specified, Bell Aliant Inc. and its subsidiaries, and which is referred to collectively in this report as “BCE”, “Bell”, “Bell Canada”, “we”, “us”, “our” or “company”. For more details, see [page 13](#) of this report.

MAJOR CHANGE SINCE LAST REPORT

We periodically acquire or sell businesses in line with corporate strategy; we also undertake continual year-over-year modifications in our reporting processes and procedures to continuously improve those CR reporting processes and controls.

This year, Bell Aliant is being reintegrated into the Bell Canada report. On October 31, 2014, BCE completed the privatization of Bell Aliant Inc. In this year's report, Bell Aliant is presented as a separate segment. Beginning January 1, 2015, the results of operations of Bell Aliant will be included within our Bell Wireless and Bell Wireline segments. Consequently, beginning in 2015, our reportable segments are Bell Wireless, Bell Wireline and Bell Media.

As appropriate to maintain or improve the accuracy or comparability of data and performance trends between years and/or with the base-year of 2011, and/or where any variance in prior years data has been identified, we restate that data in the Report.

Data on energy use and carbon footprint equivalent for our base-year of 2011 and for 2013 have been adjusted compared with previously reported numbers to include Bell Aliant and Bell Astral operations and using site-specific data. Data for 2012 were not included because we report the base-year and the 2 most current years, in line with our financial reporting.

CONTENT

This report focuses mainly on the corporate responsibility issues that are of greatest importance to our stakeholders and have a major influence on our business success. The [Responsibility section of our website](#) presents general information on our sustainability programs, provides access to specific policies and includes an index that directs readers to relevant [GRI indicators](#) and UNGC principles. For more details on determining report content, see the Material Corporate Responsibility Issues and Our Business section on page 14 of this report.

DATA COLLECTION AND VALIDATION

Our Corporate Responsibility and Environment team coordinated the collection and validation of all data. Information in this report was supplied by various subject matter experts (SMEs) across the company. SMEs collected, verified and submitted the data to the Senior Specialist on the Corporate Responsibility and Environment team, and documented the sources of information and how results were obtained.

In many cases, these data are collected through tasks associated with our ISO 14001-certified management system. These tasks are connected to employee performance evaluation and remuneration. In addition, for data that are presented in the KPI table (see [pages 6 and 7](#)),

PricewaterhouseCoopers was engaged to verify most of the performance statements in the table. This verification statement is available on our [website](#).

We round all figures to the closest full integer in our reporting, unless otherwise specified, and all data are in international units.

Where available, we include comparative historical data to demonstrate trends in indicators. Some historical data have been restated due to mergers and acquisitions, changes in calculation methodologies to improve accuracy, or to correct previous errors in recording or calculating data.

WHO WE ARE

Canada's communications leader for 135 years, Bell has now moved to the forefront of providing consumers and businesses with the full range of advanced broadband networks and services. With unparalleled investments in high-speed fibre and mobile 4G LTE, high-capacity data centres and premium content, Bell is the leader in the communications growth services of today and tomorrow—Wireless, Internet, Television and Media. For consumers, these services range from high-speed Bell [Fibe Internet](#), [Fibe TV](#), [Bell Aliant FibreOp](#) and [Satellite TV](#) to wireless services from [Bell Mobility Inc.](#) ("Bell Mobility") and [Virgin Mobile Canada](#) ("Virgin Mobile"), as well as [Bell Home Phone](#) local and long distance. In 2014, Bell privatized Bell Aliant which continues to deliver services to customers throughout Atlantic Canada.

[Bell Business Markets](#) serves organizations and companies of all sizes with broadband network and information and communications technology (ICT) services. [Bell Media Inc.](#) ("Bell Media") is Canada's premier multimedia company with leading assets in television, radio and digital media, including CTV, Canada's #1 television network, and the country's most-watched specialty channels. Through the 2013 acquisition of Astral Media Inc. ("Astral"), Bell is also now the largest radio station operator in Canada, a leading TV broadcaster in Québec and the second largest out-of-home advertising space provider in the country.

Wholly-owned Bell subsidiary, [The Source \(Bell\) Electronics Inc.](#), is Canada's largest electronics retailer with more than 700 outlets across the country, and Bell expanded its retail leadership with the purchase of a 50% stake in Glentel Inc. in 2015.

Canada's communications leader for 135 years.
Headquartered in Montréal, Québec.

TSX, NYSE
BCE

OUR BRANDS

BCE's business segments and brands

AT DECEMBER 31, 2014



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

Bell Wireline provides data, including Internet access and television (TV), local telephone, long distance, and other communications products and services to Bell's residential, small and medium-sized business and large enterprise customers. In addition, this segment includes our wholesale business, which buys and sells data, local telephone, long distance and other services from or to resellers and other carriers.

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

Bell Aliant provides Internet, data, TV, local telephone, long distance, wireless, home security and value-added business solutions to residential and business customers in the Atlantic provinces.

For more information about Bell's brands, products and services, please see our [Annual Report](#), p. 27-30.

MATERIAL CORPORATE RESPONSIBILITY ISSUES AND OUR BUSINESS

The telecommunications industry faces a number of corporate responsibility issues, including environmental footprint, customer privacy, cyber attacks, and e-waste. These and many other corporate responsibility matters touch various areas of our company and organizations in our supply chain (see illustration on [page 18](#)). This report considers the risks and opportunities associated with these areas and details how Bell is addressing each of them.

Corporate responsibility megatrends in our industry

Various corporate responsibility issues move in and out of stakeholder focus over time as trends and priorities change. In recent years, the issues identified by stakeholders as being most relevant to them and our business include:

Supply chain

We vigorously monitor and manage supply chain issues. This is especially important because we do not manufacture any of the information and communications technology (ICT) products we offer customers. We work with a limited number of manufacturers of products, some of which dominate the global market. That means we must be vigilant in our supply chain management because some of these suppliers operate in countries cited for human rights and environmental violations.

Radio frequency emissions

The World Health Organization (WHO), in its fact sheet on mobile phones reviewed in October 2014, stated that, to date, no adverse health effects had been established as being caused by mobile phone use. In 2013, the International Agency for Research on Cancer (IARC) had classified radiofrequency electromagnetic fields from wireless phones as possibly carcinogenic to humans. However, it also indicated that chance, bias or confounding could not be ruled out with reasonable confidence, and called for additional research into long-term heavy use of mobile phones. Further studies are currently underway.

In April 2014, an expert panel of the Royal Society of Canada (RSC) published a report prepared for Health Canada which reviewed major international studies and new knowledge in the scientific literature. The RSC concluded that a weight-of-evidence evaluation showed that the current evidence for a causal association between cancer and exposure to RF energy is weak. At the same time, the RSC confirmed that existing scientific data cannot be used to rule out any possible adverse health outcomes from exposure to radiofrequency emissions, and further research was warranted.

Energy consumption

Always a notable component of the ICT industry, energy consumption is becoming even more of an issue as more people use smartphones and tablets, driving data consumption growth. Demand for wireless data services continues to rise quickly as carriers develop more data-heavy services such as access to social networking, cloud computing, mobile TV, mobile commerce and banking. Adding to the demand is the emergence of other M2M (machine-to-machine) applications in retail and advances in transportation such as the connected car, asset tracking and remote monitoring. For example, while an estimated 21% of households in Canada were wireless-only at the end of 2013, a recent study predicts the figure will reach 31% by the end of 2015, a nearly 50% jump in just 2 years. Growth in wireless data consumption drives up our demand for energy to power our networks, making energy efficiency an important issue in our industry.

The growth of data centres to shift applications and services to the cloud is another important trend. This virtualization brings agility and efficiency to networks and business operations as carriers like Bell make more and more tools and professional services available to customers. In time, both fixed and wireless access network elements will become virtualized, and more functions that once resided on the customers' premises will be transferred to centralized facilities. As a result, operators of these facilities will consume more energy while their customers will see their energy consumption drop. The net effect will be to reduce overall consumption.

Information security and privacy

As devices connected to the Internet become smarter, and data transmission rates increase, there are more opportunities for security breaches. Bell's commitment is to deliver the highest levels of information security through the protection and the effective organization of systems, applications and information repositories. This is not only vital to the secure operation of our networks and business. It is also critically important to our customers who, along with our employees, expect that we protect their identity and information.

REPORTING WHAT IS RELEVANT TO STAKEHOLDERS

In our daily activities, our team members address a broad spectrum of issues including preventing conflicts of interest, protecting company assets, safeguarding privacy and confidentiality, treating clients, business partners, team members and competitors with respect and honesty, fostering a diverse and safe workplace, and protecting the environment.

Electronic waste (e-waste)

As faster and smarter devices are developed, the desire and need to replace devices is constant. As consumers upgrade, the industry produces more waste. Bell makes every effort to recover unwanted equipment on behalf of the entire ICT industry. This is a major commitment since all electronic components, such as cathode ray tubes, may contain contaminants including lead, cadmium, beryllium and brominated flame retardants that generate significant risks for workers and communities involved in the recycling and disposal of e-waste. We also take great care to avoid leaks of hazardous materials from landfills and incinerator ashes. As a reseller of electronic products, Bell also takes proactive steps to help consumers properly dispose of their unwanted items.

These and other issues are addressed in the 5 sections of this report:

- [Team members](#)
- [Customers and suppliers](#)
- [Community](#)
- [Environment](#)
- [Economy.](#)

Central to our corporate responsibility strategy at Bell is a materiality assessment that identifies relevant stakeholders and issues through consultation with our main stakeholder groups. It also helps us focus on the social, environmental and economic issues that matter most to our business and to our stakeholders.

STAKEHOLDERS

Because issues evolve over time, and new ones emerge, Bell engages with a broad range of stakeholders on an ongoing basis. For example, we conduct internal consultations with subject matter experts 4 times a year through our Sustainability Leadership Team (increased from 3 in 2014). Other internal stakeholder groups we consult include customer service, investor relations, human resources, health and safety, business continuity, community investment, procurement, and union groups.

We also monitor corporate responsibility issues and opportunities externally through stakeholder surveys, trend analyses, benchmark studies, and stakeholder feedback. We also take into account relevant

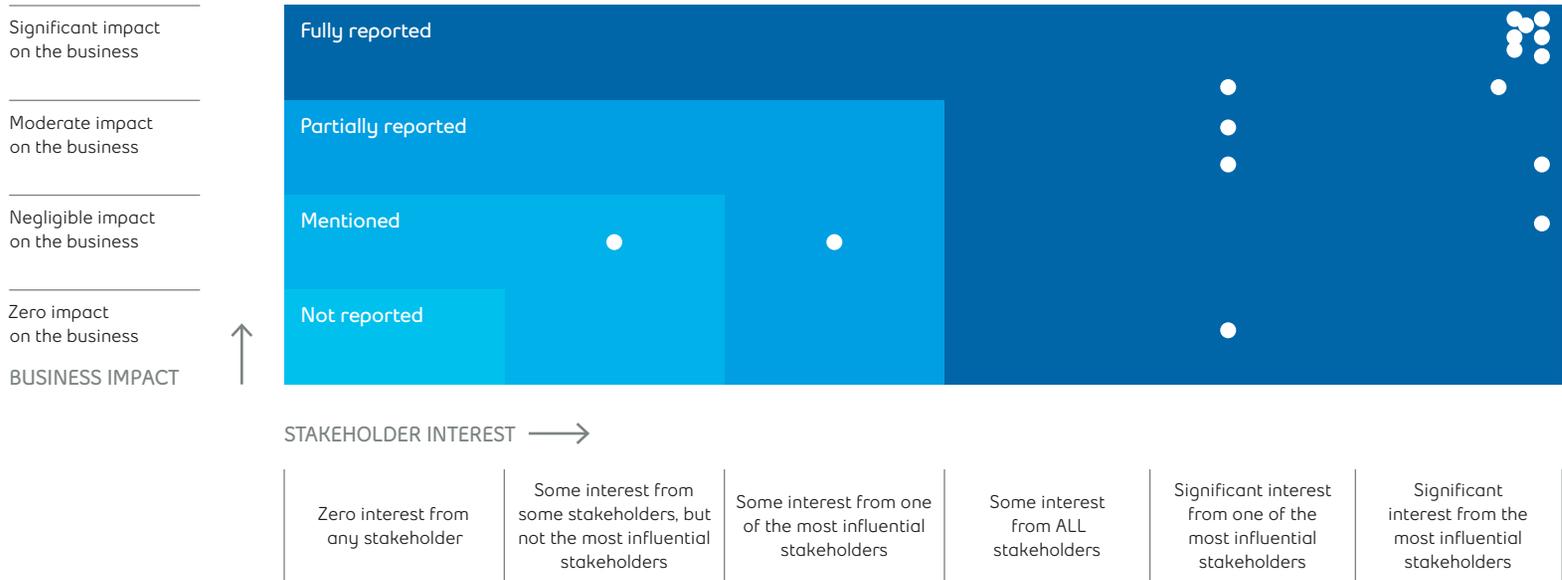
reporting guidelines, including the Global Reporting Initiative, the Sustainable Accounting Standards Board, Life Cycle Assessment methodologies and our commitment to the principles of the UN Global Compact. In addition, clean capitalism analysts from Corporate Knights, Bloomberg ESG and Sustainalytics update us on what is important from a socially responsible investor's point of view.

We identified our most important stakeholders based on their engagement with the company and their influence on the company, generating a short list that comprises employees and unions, investors, customers, suppliers, ratings agencies and civil society/NGOs.



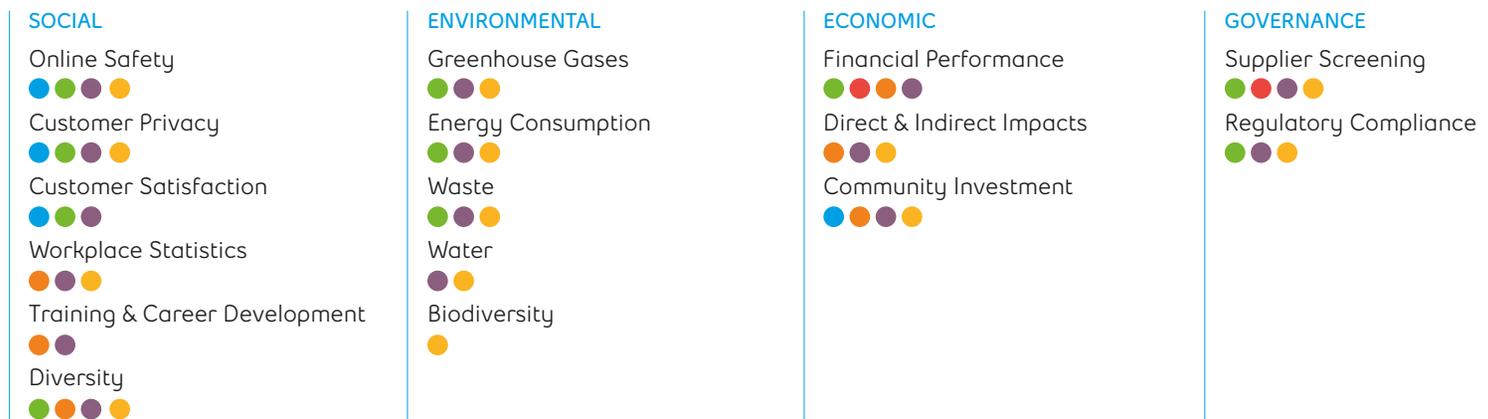
MATERIAL ISSUES

We establish materiality of issues by correlating the full list of Global Reporting Initiative (GRI) G4 indicators with the views and concerns of our targeted stakeholders—employees and unions, investors, customers, suppliers, ratings agencies and civil society/NGOs. We plot economic, social and environmental issues that are of most concern to them against those that pose risks to or present opportunities for the business.



As a result of our consultations, responsibility issues addressed in this report that are material include:

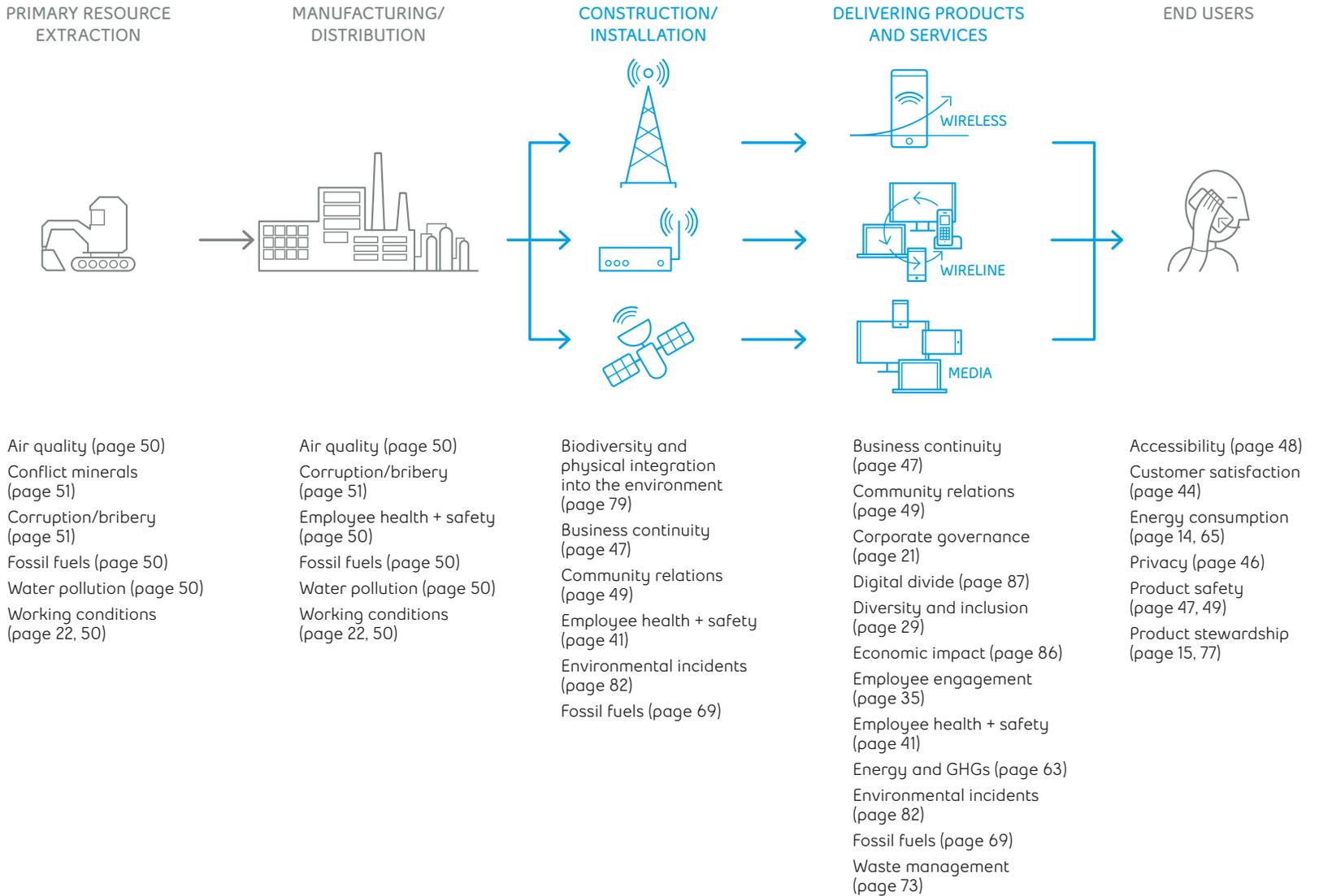
SIGNIFICANT ISSUES ADDRESSED IN THIS REPORT



LEGEND : ● CUSTOMERS ● INVESTORS ● SUPPLIERS ● EMPLOYEES ● RATING AGENCIES ● NGOS/CIVIL SOCIETY

OUR VALUE CHAIN

This graphic replicates the business segment representation of our company. Elements of Bell Aliant are included in the wireless and wireline segments. Related corporate responsibility issues are listed directly below the different parts of the value chain.



NOTE: Items in grey are non-Bell entities.

IMPORTANCE OF THE BUSINESS MODEL

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

Bell is a case in point. To ensure quality of service for our customers, maintain direct control over operations and promote business continuity that provides secure employment and career development potential, we have vertically reintegrated many of the functions that are often outsourced by companies in our industry. For example, our operations include installation technicians (Bell Technical Services) and construction operations (Expertech) who depend on a fleet of vehicles to take them to our customers and job sites. These activities increase our Scope 1 GHGs (direct GHG emissions from sources that are owned or controlled by Bell) in comparison to any competitor telco that outsources such functions.

Also, because we have more aggressively diversified to ensure sustainable growth in the business—adding broadcast and other media companies, Bell Media and Astral Out-of-Home—we have increased our consumption of energy. This is accounted for in our Scope 2 (indirect GHG emissions associated with the consumption of purchased electricity, heat, steam and cooling) emissions.

Our structure also affects the waste we generate. In contrast to other telecommunications companies, our installation and construction are integrated functions, so we manage our network waste ourselves. Outsourcing such functions would reduce our waste-to-landfill results, but would not maintain direct control over functions that directly impact customer service and operations.



Integrating corporate responsibility at Bell

Bell's corporate goal is to be recognized by customers as Canada's leading communications company. Our sustainability vision is to contribute to the well-being of society by providing high quality jobs, enabling responsible economic growth, connecting communities and safeguarding the environment. By balancing economic, environmental and social objectives, we generate significant collective gains that go far beyond financial and commercial growth as Bell enables people to better communicate, build skills and contribute to economic and social advances.

Since 2006, Bell has been a signatory of the United Nations Global Compact, a set of universal principles that address issues involving human rights, labour, the environment and anti-corruption. Through its membership in such forward-thinking groups, which are composed of leaders of the global business community, Bell participates in the development and sharing of innovative thinking that produces practical action and tangible results. Here are some of the groups in which we are involved:

Our approach to corporate responsibility begins with a commitment to governance discipline. Through a solid governance structure and rigorous practice, we actively balance economic growth, social requirements and environmental performance in order to ensure our ongoing success. In the absence of any one of these 3 key elements, sustainability cannot be supported.



MANAGEMENT AND GOVERNANCE

The Audit Committee of the BCE Board of Directors holds the primary responsibility for, among other things, corporate responsibility issues including environmental risks, security and business continuity. The Management Resource and Compensation Committee of the Board holds the responsibility for HR issues, including health and safety. The committees designate an executive vice president-level committee—the Security, Environment, Health and Safety oversight committee (SEHS)—to ensure the company’s corporate responsibility strategy is aligned with and well integrated across all parts of our business so that we minimize risk (both financial and reputational) and maximize business opportunities. Among its duties, the SEHS annually reviews the company’s security, environmental, and health and safety policies and recommends modifications for approval by the Board. The SEHS committee also approves and reviews operational directives related to these environmental issues. The SEHS committee is chaired by the Executive Vice President, Corporate Services who has 30% of his variable pay tied to personal objectives, which include enhancing employee engagement, leading Bell’s diversity and mental health programs, preventing workplace accidents, maintaining ISO 14001 certification, and optimizing energy efficiencies.

GUIDING PRINCIPLES

The following principles support our business strategy and serve as a guide for employees to help Bell achieve our sustainability vision:

- Act responsibly and engage with stakeholders to identify opportunities to go beyond compliance to create benefits for both society and the company
- Rigorously maintain well-founded governance principles and oversight systems to monitor compliance, while managing the business with transparency and integrity
- Deploy leading-edge communications services that contribute to sustainability.

The Executive Vice President, Corporate Services has direct oversight of the Corporate Responsibility and Environment team which is responsible for corporate responsibility initiatives. This team’s managers also have the variable portion of their compensation tied to social and environmental goals through performance measures.

Further, we reinforce individual accountability through a clear management structure to make certain that we identify and properly address responsibility issues and initiatives throughout the corporation.



We ensure that these values and vision are made real through a rigorously applied global strategic approach and a highly effective, practical management system which was ISO 14001-certified in 2009. We remain the first and only Canadian telecommunications company to be so certified. Read more about our approach to sustainability management [here](#). For more information on Corporate Governance, please see our [Annual Report](#) pages 34–36.

THE UNITED NATIONS GLOBAL COMPACT PRINCIPLES

As a signatory to the United Nations Global Compact and its 10 principles for responsible business, Bell is committed to report on our initiatives related to the following issues:

HUMAN RIGHTS

- PRINCIPLE 1 Businesses should support and respect the protection of internationally proclaimed human rights; and
- PRINCIPLE 2 make sure that they are not complicit in human rights abuses.

We believe our employees should be fairly compensated and therefore we provide our employees with a very competitive compensation package, including wages and extensive benefits (see [page 40](#)). Our sustained success as a business enables us to offer high-value careers in an important industry with a company that prides itself on a solid social, environmental and governance record, something we believe enables us to attract the very best new recruits, thus helping us sustain our progress. Through our Bell Let's Talk initiative to improve mental health, we not only build stronger relationships in the communities we serve, we are also helping advance employee mental-health rights in the workplace. (see [page 31](#)).

Another human rights issue is discrimination. We respect and actively support the human rights of Lesbian, Gay, Bisexual, and Transgender (LGBT) individuals. For example, we have in place non-discrimination policies that go beyond the minimum legal requirements and dedicate resources to support LGBT rights inside and outside the workplace. For details on Bell's employee programs, events, and our support to the LGBT community see [page 30](#).

Beyond that, we exert influence through rigorous value chain management. Because of the proliferation of global sourcing and distribution, companies must be aware of potential human rights issues both upstream and downstream. To address that imperative, Bell has had a [supplier code of conduct](#) in place since 2007 (see [page 50](#)). As well, the company has adopted measures in our purchasing operations to avoid conflict minerals that finance or benefit armed groups (see [page 51](#)).

LABOUR

- PRINCIPLE 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- PRINCIPLE 4 the elimination of all forms of forced and compulsory labour;
- PRINCIPLE 5 the effective abolition of child labour; and
- PRINCIPLE 6 the elimination of discrimination in respect of employment and occupation.

Bell operates in a highly regulated labour market in which most workers are protected by federal and/or provincial employment legislation (see [page 26](#)). In many cases, Bell's policies and programs exceed minimum legal requirements. For internal labour practices, Bell has a robust [Code of Business Conduct](#) (see [page 40](#)) designed to support the most stringent international labour principles, including those set out in the International Labour Organization (ILO) conventions.

Suppliers are expected to uphold the human rights of workers, and to treat them with dignity and respect in compliance with internationally accepted standards as defined in the ILO conventions and regional or national legislation governing working conditions. Bell's [Supplier Code of Conduct](#) addresses issues in the supply chain including but not limited to:

- Freely chosen employment
- Child labour avoidance
- Working hours, wages and benefits
- Non-discrimination
- Freedom of association and collective bargaining.

ENVIRONMENT

- PRINCIPLE 7 Businesses should support a precautionary approach to environmental challenges;
- PRINCIPLE 8 undertake initiatives to promote greater environmental responsibility; and
- PRINCIPLE 9 encourage the development and diffusion of environmentally friendly technologies.

Bell has been actively promoting these principles since the early 1990s when we began reporting on environmental impacts. As a result of our long-time commitment to environmental protection, we have many mature programs. These are described in the Environment section of this report (see [page 62](#)).

ANTI-CORRUPTION

- PRINCIPLE 10 Businesses should work against corruption in all its forms, including extortion and bribery.

In 135 years of serving Canadians, Bell has built a reputation for adhering to the most rigorous standards of business conduct. We value that reputation and understand the importance of earning it every day in interactions with our fellow team members, our customers, shareholders, suppliers, and the broader public. That is why we are all required to reread the Bell [Code of Business Conduct](#) and make a signed personal commitment to its provisions each year. The Code clearly explains the values and standards of behaviour expected from every team member in all aspects of our business. See [page 40](#).



RECOGNITION

One measure of any organization's commitment to meaningful corporate responsibility is third party recognition. Bell continued to make consistent progress in 2014:

WORKPLACE

- For the third year in a row, Mediacorp Canada named Bell one of Montréal's Top Employers, citing our progressive work spaces, competitive benefits and professional development programs
- For the second straight year, Bell received the Leadership 500 Excellence Award which recognizes North American organizations with outstanding leadership programs. Bell ranked 4th out of 100 companies in the large international category on the strength of our Leadership Pathway program launched in 2014
- We were named one of Achievers Top 50 Most Engaged Workplaces in North America
- Bell Aliant was named one of
 - Atlantic Canada's Top Employers for 2014
 - Nova Scotia's Top Employers for 2014
 - Canada's Top Employers for Young People 2014.
- We received the Candidate Experience Award from the Talent Board
- We were honoured with the Excellence in Innovation: Leadership Development award from the Canadian Association of Career Educators and Employers in recognition of our Mobility & Residential Services Graduate Leadership Program
- Bell was also one of the few Canadian companies to appear on the Universum Top 100 Ideal Employer Rankings
- Our Graduate Leadership Programs won the Best Grad Program in 2014 and Best Campus Recruitment Program in 2015 from Talent Egg, a top career resource for Canadian students and new graduates.

SOCIAL RESPONSIBILITY

- BCE was named to the Maclean's/ L'actualité/Sustainalytics list of the Top 50 Socially Responsible Corporations in Canada for the third year in a row in 2015 and to the 2015 Corporate Knights Best 50 Corporate Citizens in Canada
- The Bell Let's Talk initiative received numerous honours, including:
 - Excellence Canada's 2014 Gold Award for Mental Health at Work for leadership in promoting mental health across corporate Canada
 - The Workplace Benefits Award for Mental Health
 - The Mental Health and Well-Being Award presented by the Québec Order of Psychologists
 - The Public Service Award from the Ontario Psychological Association for leadership in workplace mental health and the impact of Clara's Big Ride
 - The Corporate Social Responsibility Award from the Mississauga Board of Trade
 - The Cause + Action award from Strategy magazine for the impact of the Bell Let's Talk initiative and Clara's Big Ride.

ENVIRONMENTAL RESPONSIBILITY

- Bell is the first and only telecommunications company in Canada to obtain ISO 14001 certification for its environmental management system
- Since 2004, Bell Canada has been a respondent to the CDP's¹ annual request for corporate climate change information. Bell Canada was ranked 8th in Canada on the Climate Disclosure Leadership Index for 2014. In all, Bell has been recognized by the CDP as a leader 5 times since we began reporting
- Since 2010, Bell Canada has obtained BOMA BEST certification for 44 of the buildings we occupy across Canada. We obtained LEED² certification for the Montréal campus, LEED Silver for the Mississauga campus expansion, and LEED Gold certification for our newest green data centre in 2013.

¹ Formerly the Carbon Disclosure Project. Now known simply as CDP

² Leadership in Energy and Environmental Design



Team Members

With more employees than any other communications company in Canada, we make every effort to provide a fulfilling work environment, for all team members.

82%
of team members
said they are
proud to work
for Bell

2014
BCE received
the Excellence
Canada Gold
Award for Mental
Health at Work

TEAM MEMBERS

COMMITTED TO DEVELOPMENT, DIVERSITY, ENGAGEMENT AND A HEALTHY WORKPLACE

A company's success is rooted in the skill, dedication and persistence of its employees. With more employees than any other communications company in Canada, Bell provides a fulfilling work environment, attuned to the many and diverse needs and aspirations of its team members. We deepened our commitment to attract, develop and retain diverse and engaged employees in 2014, making significant enhancements to advance diversity and inclusion and provide tools and training to enable employees to manage their careers and develop their full leadership potential. We also initiated ways to better measure and improve engagement as well as enhance mental health in our work places.

Canadian employment standards context

Bell operates in a highly regulated labour market in which most workers are protected by federal and/or provincial employment standards legislation that covers areas such as hours of work and overtime pay, minimum wage, pay, vacation time and vacation pay, public holidays, breaks, pregnancy leave and parental leave, personal emergency leave, family medical leave, and termination notice and termination pay. In many cases, Bell's policies and programs exceed minimum legal requirements.

Bell is committed to employee development and diversity. First, it is the right thing to do. As well, it makes business sense because it enables us to attract high-calibre employees who will contribute to the sustainable growth of the company. Bell is the country's largest communications company, with a complex business model that comprises telecommunications, information and communications technologies, radio, television, content creation and more. In each line of business, Bell operates in an intensely competitive environment. To meet our goal of being recognized by customers as Canada's leading communications company, we must attract, retain and motivate high-performance people, from the most senior executives, to the thousands of our front-line employees who interact with the customer daily.

Best place to work

Our equitable workplace policies respect and value the contributions of all employees, including support for respectful accommodation of special needs. We are committed to strict standards for workplace safety, equity and diversity, in part through our leadership role in the development of national guidelines for psychologically safe and healthy workplaces. We provide office environments that promote collaboration and productivity. Our compensation policies reward achievement through a pay-for-performance culture and recognition programs that acknowledge extra effort and outstanding achievements.



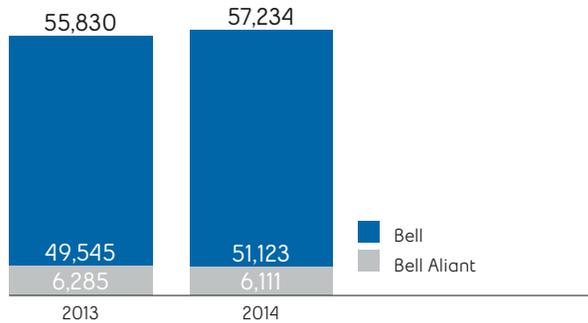
OUR TEAM MEMBERS

We added 1,404 employees (net) in 2014, primarily as a result of bringing back to Bell activities that had been provided by suppliers. As well, we bolstered the workforce in Field Services to support our ongoing IPTV roll-out and service quality initiatives. This increase was offset partly by a decreased workforce across our Bell Wireless and Bell Aliant segments attributable to normal attrition, retirements and productivity improvements.

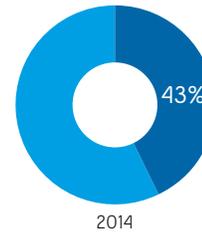
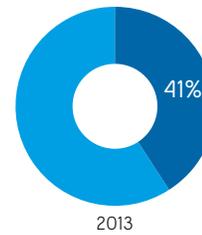
Our people

At the end of 2014, our team included 57,234 employees dedicated to driving shareholder return and improving customer service.

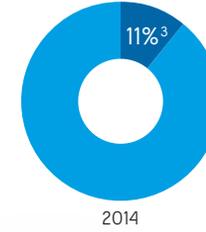
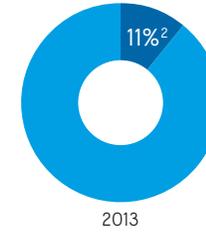
BCE EMPLOYEES



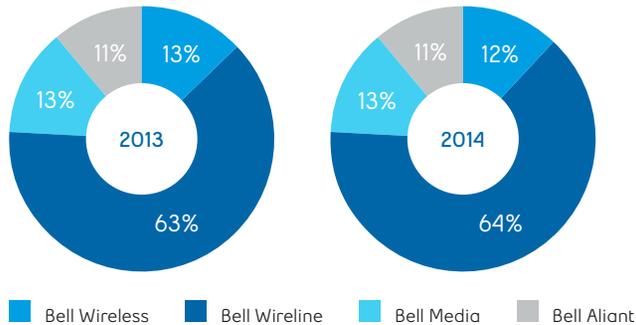
UNIONIZED EMPLOYEES



VOLUNTARY TURNOVER RATE AND RETIREMENTS



EMPLOYEES BY BUSINESS SEGMENT



1 Increase from 41% to 43% due to privatization of Bell Aliant, whose workforce is 62% unionized
 2 Excludes Bell Media, BTS, Expertech, The Source, and Nordia
 3 All BCE employees, excluding temporary employees.

TOTAL WORKFORCE BY REGION

REGION	2014	2013
British Columbia	4.4%	4.7%
Alberta	3.3%	3.8%
Saskatchewan	0.7%	0.6%
Manitoba	0.7%	0.6%
Ontario	47.3%	53.4%
Québec	31.5%	32.7%
New Brunswick	4.5%	0.6%
Nova Scotia	3.9%	1.3%
Prince Edward Island	0.4%	0.0%
Newfoundland and Labrador	2.4%	0.7%
Yukon, Nunavut, and Northwest Territories	1.0%	1.7%
	100.0%	100.0%

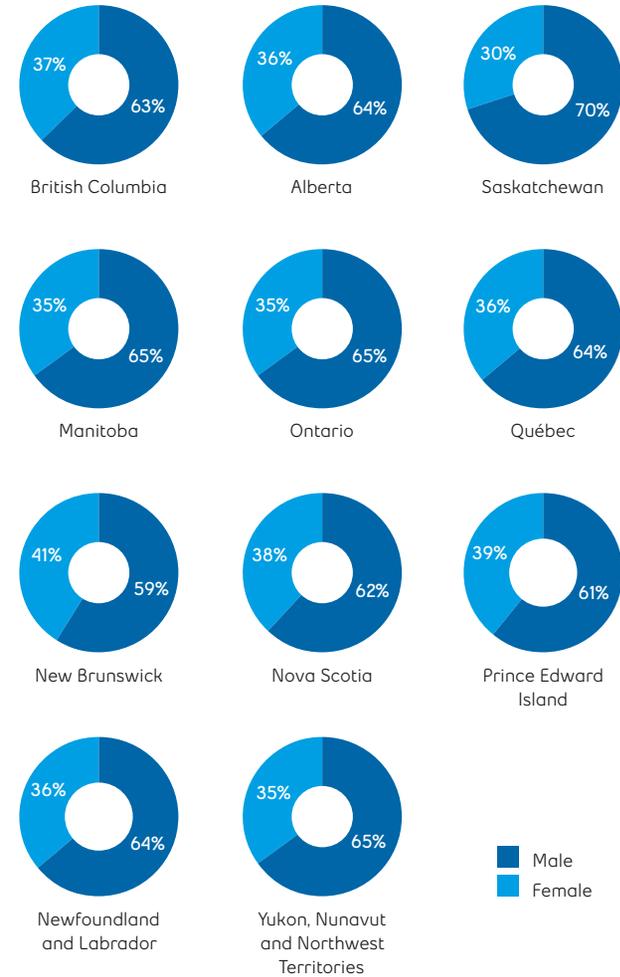
WORKFORCE BY EMPLOYMENT CONTRACT AND GENDER

GENDER	CONTRACT	2014	2013
Male	Permanent	57%	56%
Male	Temporary	7%	8%
Female	Permanent	34%	34%
Female	Temporary	2%	2%
		100%	100%

PERMANENT EMPLOYEES BY EMPLOYMENT TYPE AND GENDER

GENDER	EMPLOYMENT TYPE	2014	2013
Male	Full-Time	53%	51%
Male	Part-Time	9%	11%
Female	Full-Time	32%	31%
Female	Part-Time	5%	6%
		100%	100%

TOTAL WORKFORCE BY REGION AND GENDER



ENGAGING WITH UNIONS

In 2014, we signed 4 collective agreements covering 3,358 team members. As well, ongoing committees monitor progress on specific issues such as sales incentives. Since 2013, the unionization rate has been stable at around 43% of total Bell team members, including Bell Aliant.

DIVERSITY AND INCLUSION

At Bell, we believe investing in diversity generates the innovation and creativity that fuel our ongoing drive to deliver best-in-class services to our customers. Through initiatives such as our talent programs, leadership development and the Women@Bell network, we support team members with a wide range of backgrounds in their efforts to achieve their full career potential.

Promoting diversity at Bell

Bell's strategy is to attract, engage and develop a diverse workforce that reflects the marketplace we serve and allows us to meet targets set out in the *Employment Equity Act*. This strategy is reviewed twice a year by the executive team and is delivered by a dedicated team in the talent management group. In 2014, to strengthen our commitment across the company, we created the Diversity Leadership Council. Led by the Executive Vice President, Corporate Services, the council's 12 executive members are responsible for embedding diversity and inclusion in their business units, reporting progress and ultimately, for increasing the presence of underrepresented groups in all business units.

Bell believes it is important to have a senior leadership team with the depth, the breadth of perspective, and the experience that reflect the diversity of our employees, customers and shareholders. In February 2015, the BCE Board of Directors, on the recommendation of the Governance Committee, approved a target to have women represent at least 25% of non-executive directors by the end of 2017. The policy provides that the Governance Committee will, when identifying and considering individuals for election to the Board, consider only the most qualified candidates based on their skills, expertise, experience and background. It will also consider the level of representation of women on the Board, and strive to include candidates with diverse backgrounds in terms of gender, ethnicity, age and experience.

This year, we improved the calculation of the workforce diversity metrics by including all BCE companies covered by the federal *Employment Equity Act* (Bell Canada, Bell Mobility, Bell ExpressVu Limited Partnership, Bell Media, Bell Aliant, BTS, Expertech, Northwestel) and set a more inclusive baseline.

WORKFORCE DIVERSITY¹

2014 (%)	WORKFORCE LABOUR MARKET AVAILABILITY ²	WORKFORCE (INCLUDING SENIOR MANAGEMENT)	SENIOR MANAGEMENT LABOUR MARKET AVAILABILITY ²	SENIOR MANAGEMENT ³
Women	34.5	34.7	27.4	25.9
Visible minorities ⁴	20.4	15.0	10.1	3.9
Persons with disabilities ⁴	4.6	2.0	4.3	1.2
Aboriginal peoples ⁴	1.8	1.5	2.9	0.5

1 Excludes The Source

2 Occupational labour market availability indicates the percentage of persons in each designated group in the Canadian workforce that may have the skills necessary to fill occupational roles at Bell based on December 2014 headcount. The data are provided to Bell by the Canadian government, and are based on 2011 National Household Survey data

3 Vice Presidents and above

4 Data for these categories depend upon full-time and part-time employee self-identification in Bell's Diversity Questionnaire.

Our target:
to have women
represent at least
25%
of non-executive
directors by
the end of 2017

As of
December 31,
2014, women
represented
15% of executive
officers



Creating a more inclusive place to work

Under the direction of the Diversity Leadership Council, Bell promotes various programs and employee networks that foster an inclusive work environment and enhance individual performance and business success. From Bell's Language Diversity Program to prayer rooms in our campuses, we respect people who speak different languages, who are of different generations, who may be suffering from mental illness, and those who practice various religions. We also encourage initiatives that support a number of underrepresented groups within our workforce, including:

- Women
- Visible minorities
- Persons with disabilities
- New Canadians
- Aboriginal peoples
- The LGBT community
- Veterans.

Women@Bell

Established in 2007, Women@Bell is a collaborative, employee-led national program with a mandate to help women reach their full potential as leaders at Bell by providing networking, professional development, and mentorship opportunities. In 2014, the network hosted a series of events across Canada to mark International Women's Day as well as hosting inspirational speakers such as Judith Humphrey, Marilyn Denis and Chantal Lacroix. The network also ran more than a dozen Leadership Circles in which senior role models from across Bell shared their career journeys and professional advice with small groups of female leaders.

Bell employees also qualify for complimentary memberships to several women-focused organizations through its corporate memberships, including Women in Communications and Technology, Catalyst and the Women's Executive Network.

A number of female leaders at Bell were honoured in 2014. Mary Ann Turcke, President of Bell Media, was named *Woman of the Year* by Women in Communications and Technology as well as being listed among the 2014 *Top 25 Women of Influence* by Women of Influence. Women in Communications and Technology also recognized 3 additional Bell leaders with Leadership Excellence Awards: Nikki Moffat, SVP, Finance, Bell Media, won the WCT Leader Award; Pat DiVittorio, VP, Program Planning, Bell Media, received the Mentor Award; and Borika Vucinic, Director, TV Engineering & Operations, won the Technology Innovator Award. Lisa LaFlamme, Chief Anchor of CTV National News and Corrie Coe, SVP Independent Production for CTV, were both among the Women's Executive Network's 2014 *Top 100 Most Powerful Women*. Finally, Melanie Schweizer, VP Legal, was named to Lexpert's *Rising Stars* list of Canada's leading lawyers under 40.

LGBT at Bell

Established in 2009, LGBT at Bell is an employee-led network that hosts internal events and partners with external industry leaders such as Pride at Work Canada and the *Chambre de commerce gaie du Québec* to promote open and inclusive workplaces for LGBT employees and their allies.

Both Women@Bell and the LGBT network actively promote career development opportunities to their members through programs such as Mentoring at Bell, People Leadership Foundations courses and external networking.

Recruitment

Bell places the highest priority on attracting and developing top talent across the country. To ensure we reach the widest and deepest talent pool, we advertise job opportunities to Canada's diverse communities through partnerships with Equitek, Aboriginal Link and a number of diversity-focused, on-campus student groups. We are proud that more than 30% of the current participants in Bell's Grad Program identify as visible minorities; nearly 35% are women. Bell is also a founding partner of CareerEdge which helps us source talented, internationally trained professionals, persons with disabilities and new graduates.

Here are some of the organizations with which we partner:



WORKPLACE MENTAL HEALTH

In 2014, Bell continued to build momentum in its efforts to develop and implement best-in-class mental health practices in our workplace. Our various initiatives align with the Bell Let's Talk mental health initiative as we continued to deepen awareness, educate and improve processes in our work to end the effects of stigma related to mental illness. These initiatives also helped manage workplace mental health effectively by equipping team members with practical techniques, resources and awareness to encourage a healthier lifestyle at home and at work.

Expanding mental health training

Our managers continue to participate in our Workplace Mental Health Leadership certificate program, the foundation for a sustainable culture of support. In 2014, we worked in partnership with Morneau Shepell to launch a second module of the 3-module program. Participants who also complete online training requirements and a third module receive a certificate from Queen's University.

Bell continues targeted efforts to train all newly promoted or new managers and we encourage training for union representatives and members of the Health & Safety committee. To date, more than 7,500 leaders have attended the training.

Hire a Veteran Program

Bell was the first communications company to join the federal government's Hire a Veteran program. In 2014, Bell successfully targeted Canada's veterans through recruitment campaigns and a partnership with Canada Company. Many of the technical skills veterans acquire during their service are an asset to Bell. For instance, a number of veterans are part of the growing team of Bell employees rolling out the next-generation IPTV service.

Community Investment

In addition to our extensive work in support of better mental health, Bell has sponsored a number of external organizations and events celebrating Canada's diversity. These include the imagineNATIVE Film Festival and the Yee Hong Dragon Ball. As well, Bell is the official telecommunications partner for the Canadian Paralympic Team.

Employee and Family Assistance Program (EFAP)

Reaching out for help has never been easier. Through our EFAP program, employees can benefit from resources to support their mental health needs including counselling with accredited professionals over the phone, face to face, or even e-counselling on demand. We complement EFAP resources with a library of videos that provide insights from mental health experts.

We are also seeing significant progress in increasing employee awareness of the resources available to them, as measured by participation in the program. Specifically, since we launched our workplace mental health initiative, use of our EFAP has grown from 12% of our employee base in 2010 to 25% in 2014, an increase of 108%.

Additional mental health practices in our workplace

Our innovative return-to-work program also raises employee awareness while providing a significant benefit to affected employees and delivering promising results in 2014 in terms of reduced relapse and reoccurrence of disability leave. Our successful support initiatives include:

- Emphasizing early detection, referral and intervention
- Ensuring open communications and ongoing support
- Facilitating accommodation and specific return-to-work measures to ensure successful reintegration in the workplace

- Providing coaching for leaders and support for complex situations
- Establishing a multidisciplinary team of subject-matter experts to review complex cases and ensure the consistent application of best practices
- Creating the Leaders' Corner, a dedicated intranet site (launched in 2014) where leaders can find practical tips, specific resources and tools such as leader guides and advice on how to manage complex cases and better support their staff.



Bell Team members were honoured with the prestigious 2014 Gold Award for Mental Health at Work by Excellence Canada.

We also increase awareness for workplace mental health in other ways, including:

- Ongoing communications, events and special employee activities that promote awareness during Mental Health Week, Mental Illness Awareness Week, National Suicide Prevention Day and Bell Let's Talk Day. Since 2011, Bell has organized more than 535 mental health events for team members across Canada, including seminars, workshops, information kiosks and keynote speakers
- The Bell Let's Talk website on our intranet continues to provide easy access, centralized tools and resources for team members to learn, participate and stay informed. It provides access to comprehensive mental health resources, including articles, videos and training.

National Standard for Psychological Health

Bell supported the initial development of the National Standard for Psychological Health and Safety in the Workplace and continues to expand its promotion of the guidelines across corporate Canada. To do this credibly, we have done significant work to implement the standard, the development of which was partly funded by Bell. Some of the milestones we have completed include:

- Continuing to adhere to the formal mental health policy
- Maintaining a rigorous governance structure through a committee that reports to the BCE Board of Directors. This group monitors risks annually and reviews progress on a quarterly basis through a formal scorecard
- Building on our mental health management system to drive continuous improvement of programs and initiatives.

Bell's disciplined approach and commitment was recognized by external organizations and associations in 2014, including Benefits Canada and the Québec Order of Psychologists. We were proud that Excellence Canada, a non-profit national organization that promotes workplace best practices across a range of industries, honoured Bell with the prestigious Gold Award for Mental Health at Work in recognition of our exemplary leadership and sustainable commitment to workplace mental health.

LEARNING, GROWTH AND DEVELOPMENT

Career management

At Bell, we take great pride in enabling team members to learn and grow, not only as they gain experience but also as the industry changes. We greatly value their skill, commitment and expertise which is why we filled 7 out of 10 vacant management positions with internal hires in 2014.

We operate an extensive career management intranet site—My Career at Bell—that provides information on career choices, tips on how to advance toward career goals, as well as practical advice on creating stand-out résumés and acing interviews. The site also enables team members to interact with colleagues in other business units, which not only broadens their knowledge of the company as a whole, but may also lead to new career opportunities. We continue to enhance the site by offering tools that enable individuals to:

- Create a short- and long-term career plan
- Discover career choices in each business unit and career paths related to our business
- Study the career stories of others to learn how they succeeded
- Help leaders coach and support team members looking to make a career change.

In 2014, Bell enhanced the resources we offer to our leaders to help them support their team members' career planning. We also began a series of career development workshops to guide participants in better managing their own career development.

Integrated talent system

To strengthen its commitment to help employees build rewarding careers and to facilitate the development of a high-performance team, Bell provides a web-based tool (Career Zone) that encompasses recruitment, performance, career and learning management.

This tool provides many benefits to employees, including the ability to create a profile that can be used for multiple job applications. Team members can showcase their skills and experience, career history, education, career aspirations, relocation preferences, language skills, certifications and awards and other distinguishing features. Career Zone also provides career alerts and advanced job search capabilities to make it easier to find suitable job opportunities at Bell.

The performance management module helps both employee and leader through the process with more intelligent tools such as a customized objectives library and an objectives and measurements writing wizard. It also helps automatically link objectives to one of the **6 imperatives** of the corporate strategy. For leaders, the tool enables easier, fairer and more consistent assessments of team members.

The learning management section enables team members to easily enroll in training and professional development courses. A new social media module will enable employees to collaborate and network. It improves communication and engagement by better connecting employees across different locations, and it enhances information sharing by enabling employees to find subject matter experts quickly to share best practices.

Training and professional development

Bell invests heavily to ensure our employees' skills and knowledge remain up to date by providing cost-effective courses in a wide range of areas, from leadership development to professional, functional and technical training. In 2014, the company invested more than \$17.9 million in training through internal and external courses.

As well as supporting individual employee aspirations, Bell's employee development plan supports business goals and objectives by reinforcing core programs and processes that align with the Bell Leadership Success Profile, which outlines 15 dimensions of leadership.

Our robust training curriculum is delivered in a number of ways, including both virtual training and instructor-led courses in classrooms. The online Career Zone tool has thousands of free online training courses on topics ranging from personal time management, work-life balance and communication skills, to technical certification, project management and desktop applications. Additionally, Bell's learning solutions include thousands of online books on a wide variety of business topics.



Language training

The Language Diversity Program helps team members learn or increase competency in a second language (French for Anglophones and English for Francophones). This enables better communication among team members and helps client-facing representatives serve customers in the customer's language of preference.

Launched in March 2013, the program supports different learning styles and levels of difficulty so team members can improve their skills in the way they learn best. Whether a team member is a beginner or already bilingual, this program offers innovative and fun ways to improve language skills.

The Language Diversity website offers many linguistic tools, including:

- Essential resources such as online dictionaries, online dictations, grammar, verb-conjugation tools, games and learning apps

- A Language Pairing Program that connects participants with a partner to provide feedback and support
- A variety of training solutions to suit different learning styles, from online work to face-to-face individual or group learning and dictation tools to improve writing skills.

By year end, 1,100 people had registered for the new online language training course. More than 260 team members registered for the Language Pairing Program.

Our progress in this area is also producing measurable and relevant results. In the most recent national team survey, 4% more respondents said they were satisfied with the use of their language of preference in the workplace than a year ago.

LEADERSHIP DEVELOPMENT

Leadership pathways

To develop future leaders, Bell created a leadership pathway for managers and senior managers, customized for new and experienced leaders and professionals. The pathways enable leaders to develop the skills to be successful at the current level and advance to the next. By year end, 1,330 leaders had participated, with most rating the course highly:

- 92% said they would recommend the course and felt it supports their personal development
- 90% agreed that the skills learned in the class are applicable in the workplace.

The innovation and impact of our programs were recognized several times in the last year.

Early in 2015, Bell was ranked 4th out of 100 companies in the large international category for the Leadership 500 Award, which recognizes North American organizations with outstanding leadership programs. That ranking was based on the strength of our Foundations and Advanced Leadership Development programs.

The 2014 Canadian HR Awards recognized Bell for the Best Learning and Development Strategy. This acknowledged our support for a continuous learning environment and for providing employees with many ways to develop their skills, including online resources in Career Zone and the Foundations and Advanced Leadership Development programs.

Next-generation talent

Our strong commitment to develop future leaders is evident in our proactive work to identify high-potential individuals at the senior manager and director levels who then participate in structured, corporate-wide learning and development programs aimed at accelerating their growth and readiness for the next challenge. Through these programs, we are building communities of high-potential leaders who have been exposed to a variety of relevant and challenging development opportunities, including executive-led learning sessions, external coaching, mentoring, networking and executive MBA sponsorships.

In 2014, we continued to support our high-potential leaders through leadership assessment and one-on-one coaching from our Talent Management team to create personalized development plans for each person. We also redesigned a leadership development program for high-potential senior managers that prepares them for their next role. More than 50 leaders went through the experiential program, and 88% of them agreed or strongly agreed that the workshop helped them identify personal areas for immediate action that will enhance their leadership capability.

Executive leadership development

For our executive leaders, we invest in company-driven development focused on capability building and engagement, as well as external education, such as executive MBA and other intensive development or networking programs.

For 11 consecutive years, Bell has also sponsored participation by women executives in world-renowned education programs where they can share best practices and learn from each other. These include The Judy Project, Canada's leading forum preparing women to advance into executive leadership positions, and the International Women's Forum Fellows Program, a leading international women's executive development initiative.

EMPLOYEE ENGAGEMENT

Because our team members drive Bell's success, we value their input into our strategic direction and everyday operations. The major—but not exclusive—source of this input is the annual national Bell Team Survey, which measures how team members feel about their job, their department and the company as a whole. Broken down by organizational level, geography, department and other categories, the information enables leaders to develop action plans to improve engagement.

In 2014, 79% of team members participated in the survey. Among many things, the results showed that:

- 82% of respondents are proud to work for Bell
- 78% recommend Bell products and services to friends and family
- Overall employee engagement score is 71%
- Confidence in senior leadership had jumped by 14 points since 2009¹
- 80% of team members understand how the work being done in their business unit contributes to our overall goals
- 86% of team members understand how the work they produce directly contributes to these goals.



EMPLOYEE RECOGNITION

We continued to take steps to enhance employee recognition and appreciation, encouraging team members to celebrate the success of all their colleagues, further supporting our work to strengthen our performance-driven culture. Most recently, we launched recognition workshops, being rolled out companywide to help leaders understand the importance of meaningful recognition. We also conducted an internal audit of all of our recognition programs to ensure they are aligned with best practices and our strategic imperatives.

As part of our total compensation package, employees have an opportunity to achieve incentive bonuses based on their performance along with that of their departments. In addition, we manage 3 levels of recognition rewards ranging from gift certificates and movie tickets to a significant cash prize, an awards gala and personal recognition from the CEO for winners of Bravo Awards, the highest honour.

Our 3 levels of recognition:

- **Level 1: Local**
Business units recognize everyday achievements within departments and work groups. Typical rewards include gift certificates, movie tickets and thank-you cards
- **Level 2: Business unit**
Quarterly award winners are chosen by a recognition committee with members from all levels and functions within the business unit. The value of rewards is about \$500 for each individual or team. Along with the cash prize, Level 2 recognition award winners are also celebrated at special events across the country
- **Level 3: Bell's Bravo Awards**
Business unit leaders may nominate Level 2 award winners for a Bravo Award, Bell's most prestigious honour. The awards are presented at the Bravo Gala, with each winner receiving a letter of congratulations from the President and CEO, as well as \$5,000 and a trophy.

Bell Aliant Excel Recognition program

The Excel program is designed to give employees the opportunity to acknowledge the efforts of their colleagues through peer-to-peer nominations. Last year 4,173 employees were recognized for their outstanding efforts in delivering on their company goals.



Finance Award Luncheons

Bell Finance team members received the level 2 Excellence Award.



Corporate Services Award Breakfast

Bell Corporate Services team members received the level 2 Synergy Award.



The Bravo Awards Gala.



The prestigious Bravo Awards program recognizes the most outstanding accomplishments by individuals and teams at Bell. Keyed to the execution of one or more of Bell's 6 Strategic Imperatives, the Bravo Awards underscore extraordinary excellence across the organization. To qualify for a Bravo nomination, employees must first be recognized within their business unit before being considered for selection from among all similar winners across the company.

The Bravo Awards Gala is a 5-star event, with every detail, including travel and hotel arrangements, carefully planned for winners and their guests. The evening includes a reception, dinner, the award presentations and a live musical performance, which has featured artists such as blues singer Nikki Yanofsky, Juno-award winning Canadian rockers, The Sam Roberts Band, 9-time Grammy award-winning singer John Legend and Juno award-winning vocal group The Tenors. Each winner is announced by Lisa LaFlamme, Chief Anchor & Senior Editor, CTV News and Ben Mulroney, anchor and producer, ETALK.

In 2014, 56 individuals and 109 members on 32 different teams received Bravo Awards and were honoured at the April gala event.

Employee Service Awards

We also honour the dedication and loyalty of our team members through the Employee Service Award program, recognizing team members for every 5-year increment of service. Rewards increase in value with length of service. In 2014, more than 1,880 employees celebrated anniversaries ranging from 25 to 45 years of service with Bell.

President's Wallet

The President's Wallet Program—a tradition since 1931—provides a personal memento to mark an employee's retirement. All retiring employees receive a leather wallet embossed with the company logo as well as a letter signed by the president, thanking them for their contribution and noting their years of service.

NEW TALENT

Graduates

In 2014, Bell continued to attract and develop our next generation of leaders by offering 6 grad programs and hiring 106 graduating students into high-value, full-time positions across the company. Our Graduate Leadership Programs won the Best Grad Program in 2014 and Best Campus Recruitment Program early in 2015 from Talent Egg, a top career resource for Canadian students and new graduates.

Major reasons for the success of these programs include the high level of commitment and involvement from the most senior Bell executives, and a comprehensive recruitment/selection process.

During the September 2014 recruitment season, Bell conducted 14 campus information sessions, attended 4 career fairs, and brought 268 Bell leaders to our campus events across Canada. More than 750 students attended our Bell-led sessions, yet another year-over-year increase in participation. In addition to our recruiting season, Bell reinforced its commitment on campus by being involved in more than 6 student conferences and sponsorships that help give back to the student community. Bell's new grad programs support the various interests and skill sets of new grads by providing a variety of different opportunities across our business units:

ROTATIONAL ¹	2014	NON-ROTATIONAL PROGRAMS ²	2014
Graduate Leadership Program, Mobility and Residential Services	32	Business Intelligence Program	26
Graduate Leadership Program: Field Services	8	Bell Business Markets Program (BBM)	17
Approved Training Office: Chartered Professional Accountant and Chartered Accountant designations (CPA, CA)	3	Network Program	12

¹ In Rotational Grad Programs, new grads joining the organization rotate across various parts of Bell over a 2-year timeframe

² In Non-Rotational Grad Programs, new grads take on a specialized role from the first day they join Bell and do not rotate across the organization.



In this picture, participants of the Bell Graduates program participate in a wealth of team building activities.

“To ensure our future success, Bell is focused on attracting and developing the next generation of leaders to take our great company forward. Our Grad Leadership Program was developed to do exactly that. It’s a program inspired by senior executives at Bell who would have loved a similar opportunity when they graduated. Last year we enhanced our program by adding a Summer Internship stream, making it one of the largest and most successful of its kind in Canada. The Bell program is truly best in class and offers opportunities to experience all facets of our dynamic business over an 18-month rotation. We also offer direct access to senior leaders for mentoring and ongoing personal support in a peer-to-peer Grad culture that is second to none. We’re very proud of the fact that our Grad participants consistently rate the program as excellent and more than 90% stay with Bell after they complete the 18-month rotation.”

— John Watson, EVP Customer Operations

Internships

In 2014, more than 450 students got a head start on a career through internship, co-op and Career Edge programs that give both the company and the student an accurate sense of whether Bell is the right place for the individual, and serve as a great source of talent for full-time positions at Bell. Programs include:

Customer Experience Consultant—Internship program for 3rd year students

Introduced in 2014, this program is built on the success of our largest rotation program, the Graduate Leadership Program in Mobility and Residential Services. It provides an early introduction and fast track to the grad program. Last summer, we hired 18 out of 31 student interns after they completed the program. It was also designed with a competitive advantage: it runs for just 3 months instead of the more typical 4. That gives students some much-needed time off in August to enjoy before they return to finish their final year in school.

Co-op opportunities

We offer positions to students in post-secondary programs with a co-op component. Roles are available throughout the organization and provide students with an excellent way to learn about the business, meet their co-op objectives and in many cases, obtain full-time employment with Bell once they graduate. In 2014, Bell took on 84 co-op students.

Career Edge program

Career Edge provides new hires with hands-on experience in an area of the business they may never have been able to access through traditional hiring methods. Each year, we hire about 33% of the individuals into full-time positions after they complete their Career Edge internship. To date, Bell has hired more than 1,100 candidates into the program and in June 2014, we were honoured by Career Edge for our commitment to the program and for being the first company to offer 1,000 paid internships or more.

Summer Internship opportunities

For those not looking to complete a co-op or Career Edge position, there are still opportunities to work at Bell and build résumé experience through summer jobs. In 2014, Bell hired close to 200 paid summer interns into various management and unionized positions.

450

students got a head start on a career through internships in 2014

In 2014, Bell hired

200

paid summer interns into various management and unionized positions



COMPENSATION AND BENEFITS

Bell's total compensation package includes a competitive base salary, strong performance incentives and a range of benefits including long- and short-term disability leaves. Incentive plans reflect both the company's success and individual achievement. The Achievement Incentive Plan (AIP) is the corporate bonus plan that covers more than 20,000 eligible employees. Over the last 6 years, employees eligible for AIP have benefited from payouts averaging 105% of target, in line with the company's success in that period. To maintain market competitiveness, Bell reviews compensation levels at least annually or as required.

Bell's benefits program is designed to help team members maximize health and financial security. Team members have flexibility to choose the healthcare plan, life and accident insurance that best suits their

evolving individual needs. They are covered in the event of a disability and may purchase additional vacation days. As part of Bell's commitment to mental health in the workplace, Bell's benefits program reimburses fees paid to psychologists and social workers up to a maximum of \$1,500 per year for each covered person. In terms of retirement benefits, we provide both defined benefit and defined contribution pension plans. In 2014, Bell made a \$350 million voluntary contribution to the defined benefit pension plan. This enhances the security of pension benefits for plan members, reduces the company's future pension obligation and generates substantial cash tax savings. Employees can also benefit from other savings plans such as a group RSP, a group TFSA and a share-purchase plan. We also provide employees with discounts for Bell's products and services, as well as for other purchases at The Source.

WORKPLACE PRACTICES

Guidance on employee conduct

Ethical behaviour is one of the cornerstones of a socially responsible company. Our employees have the right to expect a safe and diverse workplace where respect and ethics are paramount. Introduced in 1995, Bell's [Code of Business Conduct](#) provides guidance on conflicts of interest, safeguarding privacy and confidentiality, improper influence of audits, protection of the environment, and interactions with team members, clients, business partners and competitors. Every employee must review the Code annually and refresh their training every 2 years.

Employee Privacy

Bell and its affiliated companies have long been committed to maintaining the accuracy, confidentiality, security and privacy of personal information.

Clear privacy and confidentiality policies are in place to ensure employees understand their responsibilities for safeguarding personal information. Our representatives undergo privacy training to ensure they are aware of their privacy rights as well as our obligations as an employer.

Team members are provided key information on Bell's privacy website which clearly defines roles, processes, the current legal framework and more. They can also address questions and obtain support through the privacy mailbox, which is monitored and promptly answered by the privacy coordinator.

Human rights

Bell continues to actively lead the advancement of human rights and inclusion in the workplace. Bell's contribution was recently recognized by the Canadian Human Rights Commission, which cited Bell's active participation in the development of a process map and the *Accommodation Works!* mobile application.

Bell complies with the *Canadian Human Rights Act*. Further, we provide team members with training and centralized information on an intranet site where employees can also anonymously report any incidents they believe may contravene of our policies or ethical standards. This tool is handled by an independent administrator who continually monitors and responds to complaints.

Security

In 2014, two-thirds of Bell team members participated in Be Ready training which prepared them for different emergency situations, from fires and earthquakes to bomb threats. The training includes key contact information for team members to keep handy.

They also have access to more than a dozen emergency procedures that complement the training by providing additional information to be used in the event of lockdowns, extreme weather, floods and other emergencies.

These procedures and training initiatives help ensure both the safety of our team members and the company's ability to continue to operate during an emergency.

In 2014,
two-thirds of Bell
team members
participated in
Be Ready training

Occupational Health and Safety

Protecting the health, safety and well-being of our employees is a top priority at Bell. In 2014, we continued to make measurable progress by adopting a new health and safety policy and assessing our risks in light of our recent business transformation. Over the past year, the Security, Environment, Health and Safety oversight committee reviewed and approved Bell's [Health and Safety Policy](#) which



strengthens team members' commitment to and accountability for health and safety wherever we work. This policy is the foundation for continuous improvements to our health and safety management system.

The Health and Safety Operation VP Steering Committee, which oversees our higher risk exposures, has been active in supporting managers and employees in mitigating and managing accidents involving slips and falls. By implementing a variety of tools and resources, we have seen a reduction in this type of injury despite our very harsh seasonal variances.

Bell's corporate and local Health and Safety committees are integral to the success of such risk mitigation initiatives. Both union and non-union employees participate in these valued committees, collaborating with all levels of leadership to identify and address potentially hazardous situations.

Another priority is to promote the same level of safe work practices with contractors on Bell work sites through a Contractor Safety Management program that is active throughout Bell. In 2014, we began a comprehensive evaluation of our contractor management process and in 2015, we are continuing to refine our Contractor Management program to enhance our partnerships and the overall commitment to safety and the effective management of worksite hazards.

In 2013, Bell aligned its safety performance indicator with the industry-recognized criterion of 200,000 hours worked as an indicator of accident frequency¹. In 2014, we made process improvements in data management to more accurately track and report on Bell's accident frequency. Our performance continues to improve, with our frequency rate decreasing by 15% in 2014, from 1.48 to 1.26 per 200,000 hours worked. We experienced no fatalities in 2014. Bell will continue to benchmark against best-in-class organizations to monitor the effectiveness of our overall safety performance.

Supported by our leadership and a governance commitment to provide a safe working environment, Bell and its subsidiaries will continue to collaborate to integrate health and safety processes and programs as we create efficiencies and increase effectiveness while maintaining a rigorous focus on managing risk.

¹ $Time\ Lost\ Accident\ Frequency\ Rate = \frac{Number\ of\ time-lost\ accident\ cases \times 200,000}{Number\ of\ worked\ hours}$.

AWARDS FOR WORKPLACE EXCELLENCE

In 2014, Bell's progressive workplace and recruitment programs were honoured with numerous awards. These included:

- **Named one of Montréal's Top Employers for the 3rd consecutive year in annual awards organized by the editors of Canada's Top 100 Employers, a Mediacorp Canada publication**

Judges cited Bell's exceptional training and professional development opportunities, our mental health leadership and state-of-the-art campus facilities as well as new recognition this year for our mentorship and leadership training for students and new grads through summer employment opportunities, paid internships, apprenticeships and co-op work terms

Bell was further recognized for:

- Encouraging employees to get involved with paid volunteer time, and matching charitable donations to charities where employees volunteer their time (up to \$2,500)
- Supporting ongoing employee development with tuition subsidies for courses at outside institutions (to \$1,500), in-house and online training programs, subsidies for professional accreditation, and financial bonuses for some course completions (to \$15,000)
- Providing new employees with 3 weeks of paid vacation as well as personal days off that can be scheduled when needed, from 1 to 6 days depending on the employee group.
- **Named one of Achievers Top 50 Most Engaged Workplaces in North America.**

Achievers, a U.S.-based company that specializes in employee rewards and recognition, honoured Bell for its leadership in workplace best practices, from innovative mental health initiatives to a comprehensive plan to promote diversity

Achievers also placed Bell in its Elite 8 Leadership category for demonstrating an exceptional environment where leaders drive employee engagement, working closely with team members to achieve both organizational goals and personal employee development goals.

- **Bell Aliant named one of Atlantic Canada's Top Employers for 2014**



Now entering its seventh year, *Atlantic Canada's Top Employers* is a regional competition organized by the editors of Canada's Top 100 Employer to identify employers in Canada's 4 Atlantic Provinces that lead their industries in offering exceptional places to work. Employers are evaluated using the same eight criteria as the national competition: (1) Physical Workplace;

(2) Work Atmosphere & Social; (3) Health, Financial & Family Benefits; (4) Vacation & Time Off; (5) Employee Communications; (6) Performance Management; (7) Training & Skills Development; and (8) Community Involvement. Companies are compared with other organizations in their field to determine which offers the most progressive and forward-thinking programs

- **Bell Aliant named one of Nova Scotia's Top Employers for 2014**



Identical to the Atlantic Canada Top Employer competition except for its geographical scope, this ranking, now entering its 10th year, designates the most progressive organizations in Nova Scotia

- **Mérites du français award**

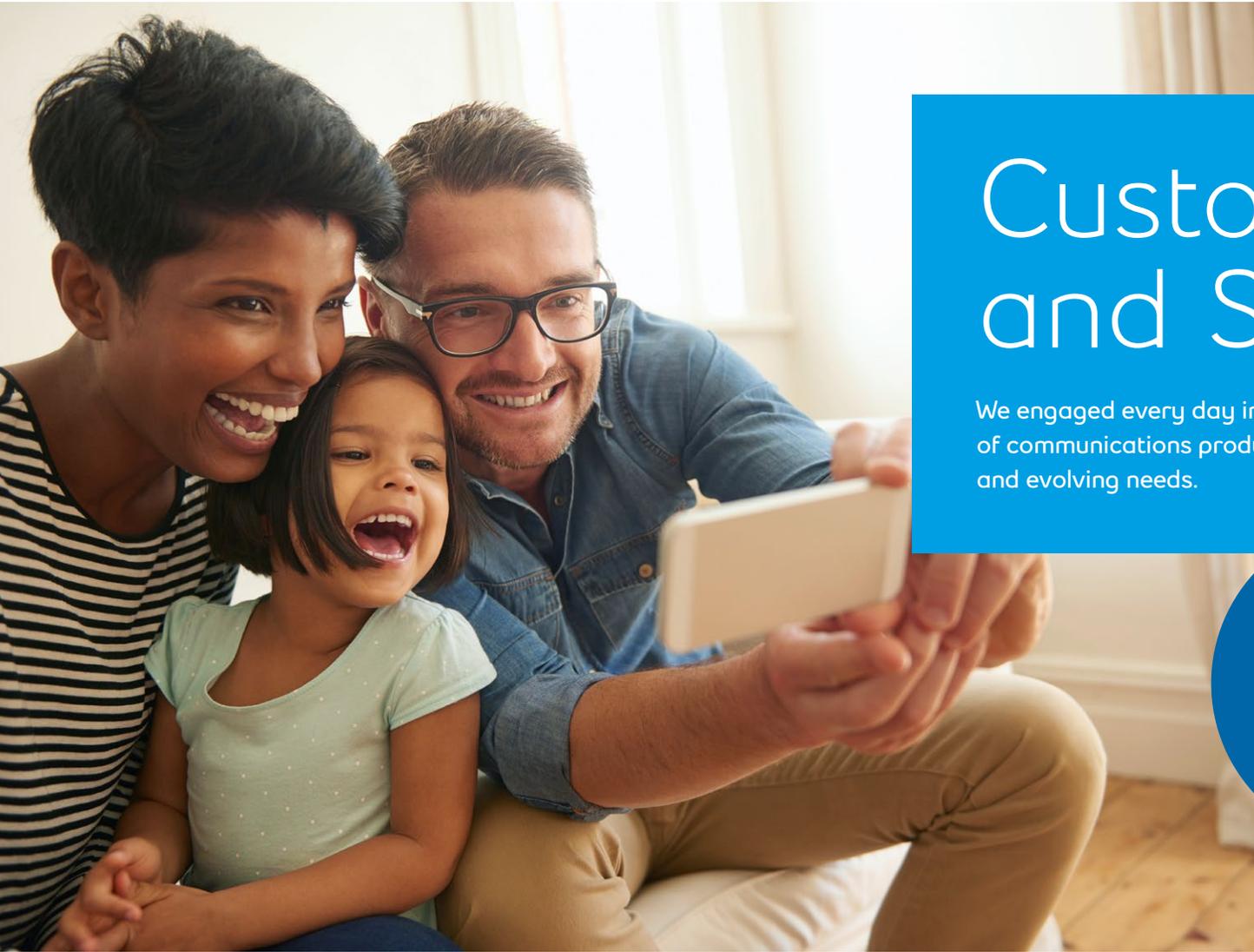
Early in 2015, Bell's francization committee won the prestigious "Mérites du français" award from the Office québécois de la langue française for Bell's leadership in the promotion of the French language

- **Bell Aliant named one of Canada's Top Employers for Young People 2014**



Awarded by the editors of Canada's Top 100 Employers to employers that offer the nation's best benefits for attracting and retaining younger workers. Among other assets, judges cited Bell's mentoring, internship and co-op programs, as well as our designated Chartered Accountant Training Office

- **The Candidate Experience Award** from the Talent Board, a non-profit, U.S.-based organization that compiles data on the corporate recruiting experience
- **The Excellence in Innovation: Leadership Development** award from the Canadian Association of Career Educators and Employers in recognition of our Mobility & Residential Services Graduate Leadership Program
- **Best Grad Program and Best Campus Recruitment Program** from Talent Egg, a leading resource for Canadian students and new grads, recognizing our Graduate Leadership Programs
- **Excellence Canada's 2014 Gold Award for Mental Health at Work** for our leadership in promoting mental health across corporate Canada
- **The 2014 Canadian HR Award for the Best Learning & Development Strategy** including online resources in Career Zone and the Foundations and Advanced Leadership Development programs
- Bell was also one of the few Canadian companies to appear on the **Universum Top 100 Ideal Employer Rankings.**



Customers and Suppliers

We engaged every day in delivering to our customers the full range of communications products and services to meet their diverse and evolving needs.

99
of the top 100
companies in
the country use
Bell services

Fibe TV footprint
reached more than
6M
households

CUSTOMERS AND SUPPLIERS

We aim to be recognized by customers as Canada's leading communications company. We work closely with thousands of suppliers to ensure our company lives up to Canadians' expectations of us, not only as a business but also as a presence in their communities.

LEADING SERVICE COVERAGE

In early 2014, Bell became the first Canadian carrier to launch 4G LTE network service with new 700 MHz spectrum. This enables us to take world-leading 4G LTE technology to Canadians in small towns, rural locations and the North. By the end of 2014, our 4G LTE network covered 86% of the population and we plan to reach more than 98% by the end of 2015.

In 2014, we continued to increase HSPA+ coverage to more communities in the Northwest Territories and Nunavut.

This is backed up with our 4G HSPA+ network, which we continue to enhance and expand, specifically to more communities in the Northwest Territories and Nunavut in 2014. HSPA+ covers more than 98% of the population and we extended our enhanced 4G HSPA+ DC (Dual Cell) network to more than 89% of the Canadian population in 2014, compared with 87% in 2013.

An important aspect of Bell's wireless service, especially for customers who travel and conduct business all over the world, is Bell's leading roaming services. We offer roaming to more than 220 countries. We have also recently acted to make roaming significantly more affordable, reducing fees by as much as 50% to countries where Canadians travel the most, including the United States, Europe, Mexico, China, Turkey, Australia, New Zealand, Cuba, Japan, Bermuda, and most Caribbean islands.



First Canadian carrier to launch
4G LTE
network service with new 700 MHz spectrum

First
Canadian network operator to deliver transmission speeds of 100 Gigabits per second

In addition to our investments in wireless networks, we continued our aggressive deployment of broadband fibre which extends access to our market-leading FibeTV and Fibe Internet services for residences and businesses. We ended 2014 with 6 million customer locations able to receive these services. Moreover we significantly increased the presence of fibre optic cable directly to the home and business by 2.1 million locations, positioning Bell with the ultimate in future-proof technology and these customers with the greatest access to industry leading products.

At year end, we had 700,533 Bell Fibe TV subscribers, a year-over-year increase of 46.1%. We added another 60,863 net subscribers in the first quarter of 2015. At the end of March 2015, and including newly integrated Bell Aliant's FibreOp TV subscribers, Bell served 990,325 IPTV subscribers, up 36.8% from the same date last year. We passed the 1 million mark in mid-April 2015.

This continued growth is clear evidence that Bell is bringing meaningful competition and consumer choice to customers. Fibe TV also has a significant positive impact on Bell's ability to sustain the growth of its business, because it has a powerful pull-through effect for other Bell services. More than 4 in 5 new Fibe TV customers also take at least one other Bell home product such as Internet or Home Phone.

Through our deferral account initiative, Bell extended broadband services to 112 rural and remote communities in Québec and Ontario in 2014. Specifics surrounding the initiative, including which communities would benefit, were approved by the Canadian Radio-television and Telecommunications Commission (CRTC). In 2002, the CRTC established a deferral account mechanism for incumbent local exchange carriers (ILECs) and, in 2008, ruled that the phone companies could use a portion of the remaining money in their deferral accounts to expand rural broadband.

Bell has also assembled the largest national network of data centres in the industry, providing Bell Business Markets customers with secure ways to protect critical business applications and increase their own productivity through co-location, data management, infrastructure as a service (IaaS) and cloud computing. With our strategic investment in Q9 Networks Inc., Bell customers have access to 25 data hosting centres in key markets, all linked with Bell's broadband fibre IP networks.

Bell's core network: an essential link for communications and commerce

Our national voice and data network reaches all major Canadian metropolitan centres, as well as New York, Chicago, Boston, Buffalo, Minneapolis, Ashburn (VA), and Seattle in the United States. To address strong customer demand for a vast number of data-dependent applications, gaming and streaming video services, Bell continuously upgrades and grooms its core IP VPN (Internet Protocol, Virtual Private Network) network so that customers can rely on its robust ability to transmit voice and data between main communications hubs across Canada.

In fact, we are the first Canadian network operator to deliver transmission speeds of 100 Gigabits per second. This super-core technology, which runs between urban central offices, can transmit the equivalent of 12,500 HD TV channels or more than 1.5 million voice calls all at the same time. This is now available over more than 7,800 kilometres of key traffic routes across Canada and to strategic meet-me points in the U.S.

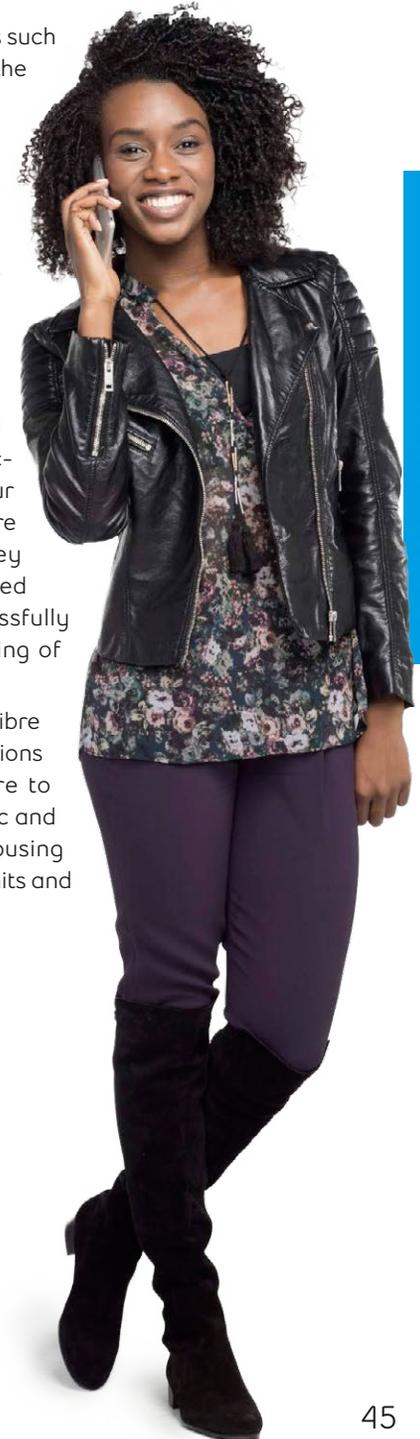
Because we understand that Canadian business runs on Bell—99 of the top 100 companies in the country use Bell services—we are committed to continue to maintain IP VPN stability and robustness. That entails not only continuous investment to upgrade performance and maintain network availability at 99.99%. It also means that we rigorously monitor network operation and regularly conduct tests, such as fire drills, to ensure we are prepared for any eventuality and that network survivability is secured as much as possible.

A substantial portion of our annual capital investment goes to upgrade or expand the fibre optic and transmission equipment in our backbone network to address the growing demand for bandwidth for Internet services. In 2014, we migrated 300 Gbps of Internet traffic (about 30% of the total) to our next-generation carrier Ethernet (NGCE) platform to address routing and speed limitations. We also regularly upgrade hardware and software across all networks to enhance features and resolve issues. In 2014, for instance, we added 22,000 Gbps of capacity to our broadband Internet protocol network and 37,000 Gbps to our transport

network to address the growth of services such as Fibe TV and Netflix. We also enhanced the server infrastructure to support the launch of Restart, a feature that enables Bell TV customers to watch a TV show from the start even if they tune in late.

Bell's Network team is also extremely responsive to events that affect network load. For example, during the FIFA World Cup of soccer in 2014, our core network experienced huge spikes in traffic. Working with Akamai Technologies, Inc., a cloud services provider that streamed all games for the CBC, we tripled our capacity, adding about 200 Gbps to ensure our customers experienced exceptional picture quality regardless of what platform they used to watch the games. We also added 400 Gbps of capacity in 2014 to successfully maintain our #1 spot in the Netflix ranking of Internet service provider speeds.

In 2014, we grew our wireline broadband fibre footprint to approximately 6 million locations with the continued deployment of fibre to more neighbourhoods throughout Québec and Ontario, to new urban and suburban housing developments, and to multiple-dwelling units and key large business customer locations.



NORTHWESTEL—CHANGING TO MEET OUR CUSTOMERS' NEEDS

Because customer service continues to be the cornerstone of what we do, in 2014, Northwestel made significant investments in new ways to deliver quality service to our customers. We focused on improving service delivery from the network core to the customers' premises, making it easier for customers to get in touch with us, and reducing our response time. Those initiatives—plus a stepped-up training program for customer-facing employees—enabled us to improve customer satisfaction. Here are some of the ways we got better:

- We opened residential contact centres on Saturdays and they delivered strong performance throughout the year with good customer satisfaction score
- We standardized our level of service for every call through increased monitoring under a quality call program implemented early in 2014
- Our customer service representatives answered 80% of customer calls within 30 seconds, meeting service level goals every month in 2014
- As part of our focus on training, especially new hires, we created a training plan with a new component called True North Service

- We re-launched the cable self-service tool on the Northwestel website, enabling customers to order channels, view their billing history and refresh their cable equipment 24 hours a day
- We continue to add Community Service Technicians in remote communities to give residents and businesses direct access to high-quality service similar to major towns.

We track improvements through customer feedback. At every point of contact, Northwestel customers can tell us how to serve them better—over the phone, through retail centre forms, on social media, on our website and through our service technicians.

Community Service technician, Justin Mantla from Whati NWT is completing his safety training.



PRIVACY AND DATA SECURITY

Our operations, service performance and reputation depend on how well we protect our networks, systems, applications, data centres and electronic and physical records, and the business and personal information they contain, against cyber attacks, unauthorized access or entry, damage from fire, natural disaster and other events. The protection and the effective organization of our systems, applications and information repositories are central to the secure operation of our networks and business as electronic and physical records of proprietary business and personal data, such as confidential customer and employee information, are all sensitive from a market and privacy perspective. Any vulnerability could harm our brand and reputation, as well as our customer relationships, and may lead to system operating failure or information theft, loss or leakage.

Bell discloses customer confidential information to government agencies only when compelled to do so by a legal authority, such as a court order, statutory power or CRTC tariffs. Bell does not voluntarily disclose customer confidential

information to government agencies without the customer's consent. The one exception to this rule is in rare emergency situations where there is an imminent threat to persons or property, it is reasonable to believe that the disclosure of the information will reduce possible harm and it is not feasible for the requesting public authority to obtain a valid legal authority to compel the disclosure in a timely manner. A lost child or a hostage-taking are examples where a voluntary disclosure may be appropriate.

Our commitment to protect the privacy of customer information is explicitly laid out in the [Bell Privacy Policy](#) and reinforced continuously through concrete mandatory action by all employees. The [Bell Code of Business Conduct](#) specifically defines, among other things, how we safeguard and properly use customer information. Because their roles bring them into contact with customers and confidential customer information regularly, our customer-facing representatives undergo privacy training to better understand their obligations to protect customer information and to ensure they respect customer rights at all times. We also enforce strict controls on the protection and use of personal information within our systems and websites.



In order to meet demands for greater clarity and transparency with respect to privacy, we have set out key elements of our privacy policy in a simple, easy-to-read privacy statement.

The privacy policy and the answers to frequently asked questions are available on our website under [Privacy at Bell](#).

In 2013, Bell launched its Relevant Advertising Program for Bell Mobility customers, using robust notification and a persistent opt-out function. Notices were provided to Bell Mobility customers starting in 2013, however the Program was not deployed commercially and no advertising was placed through the Program. In April 2015, the Office of the Privacy Commissioner found that the Program should have express consent from customers and recommended improvements to the content of the notices. Bell accepts the Commissioner's findings and has committed to complying with them. Bell has withdrawn the Program and will only re-introduce the Program after revising the notice and consent process, in consultation with the Office of the Privacy Commissioner.

Bell takes the protection of information very seriously. As an active participant in the member-driven global Information Security Forum, Bell leads the evolution and establishment of security practices. We rigorously adhere to a number of international security standards and frameworks, including ISO 27001, Payment Card Industry (PCI) Data Security Standard, and the Information Security Forum Standard of Good Practice. By safeguarding our physical and information assets, we minimize the risk to our customers. This is especially important because of the growing sophistication and potential impact of cyber threats. Bell has deployed a number of defensive layers and controls, including system disruption protection, malware detection, security event monitoring, data loss prevention and intrusion prevention. We continuously evolve these controls through ongoing investment and testing.

PROTECTION OF MINORS

Bell supports awareness and education for youth and parents on Internet safety through sponsorships of organizations such as MediaSmarts and the Canadian Centre for Child Protection. (For more information on these, please see the [Community](#) section of this report.)

BUSINESS CONTINUITY

Bell's infrastructure is critical to the health, safety, security and economic well-being of our customers, the government, and Canadians more generally. Recognizing this, we have developed a rigorous business continuity planning program as a key component of Bell's management of operational, financial and reputational risks. We adhere to an unwavering commitment to take all reasonable steps to maintain a state of readiness, with carefully planned proactive and effective responses to any anticipated disruption to the business. In designing our program, we have diligently aligned our actions with industry-best practices and international standards.

Our business continuity program objectives are to protect customer services and our team members, revenues and reputation. To do this, we continuously prepare for unforeseen events that threaten our people, facilities, business functions, systems and revenues.

In addition, our Emergency Management Program includes an incident-command system for coordinating with other utilities, public safety officials and other critical infrastructure partners. Under our plan, all Bell team members must complete obligatory Be Ready training that provides specific actions for properly responding to emergencies such as fires, earthquakes and bomb threats, thus reducing the risks to their personal safety and the company's assets. This careful, methodical and thorough approach not only benefits our employees; it also helps safeguard the interests of our customers as well as citizens of every community in which we operate.

CUSTOMERS WITH DISABILITIES

Bell remains committed to supporting customers with disabilities with a dedicated team of agents, specially trained in the entire line of Bell products, services and accessibility options, serving customers through the Accessibility Services Centre. Members of this team are thoroughly trained to understand the barriers that persons with disabilities face in using communications services and to help customers overcome those barriers.

OUR COMMITMENT TO ACCESSIBILITY

As part of Bell's deferral account-related program approved by the CRTC, Bell has earmarked \$25.4 million to fund initiatives that improve accessibility for persons with disabilities in Ontario and Québec. Over the past several years, Bell has worked with various groups and people with disabilities and has introduced a variety of products, services and other initiatives as part of this program, using the bulk of the assigned funds. Many of these can be found on bell.ca/accessibility.

\$25.4M

to fund initiatives that improve accessibility for persons with disabilities in Ontario and Québec

This year, Bell Mobility received approval from the CRTC to use most of the funds left in the account to improve our products and services for customers with disabilities.

Over the next 5 years, we will introduce new products and services for Bell Mobility customers with disabilities and widely promote their availability. Through these upgrades,

Bell Mobility will remain among the world leaders in the accessible mobile telecom space. To plan our approach, we used a consultative, iterative design process that included input from leading Canadian advocacy groups and inclusive design experts in Toronto. We will also support all new accessibility technologies in a way that is easily understandable and tangibly helpful for customers. To that end, the foundation of the project will be our focus on upgrades to employee training, procurement processes, product life-cycle management and significant upgrades to the online resources available to customers on Bell's Accessibility website, bell.ca/accessibility.

Bell is a member of the Canadian Wireless Telecommunications Association's (CWTA) Wireless Accessibility Committee, which focuses on accessibility issues for mobile products and services across Canada. In March 2014, Bell Mobility, working with other Canadian wireless carriers, 9-1-1 emergency service providers, the CRTC and the CWTA, launched the Text with 9-1-1 service (T9-1-1). Several years in development, this service enables customers who are Deaf, hard of hearing or speech-impaired to communicate with 9-1-1 call centres using text messaging, thus increasing their access to emergency services. The service is available in select regions of Canada, with new locations being added all the time. More information can be found at www.bell.ca/T911.

Bell has also been actively supporting the introduction of Video Relay Service (VRS) in Canada. VRS will replace traditional TTY telephone calling for sign-language users by enabling them to connect by a video link to a sign-language interpreter who will provide real-time interpretation of telephone conversations. In the spring of 2014, the CRTC determined that VRS will be provided in Canada by a central administrative body that will contract with VRS service providers and ensure that the service is provided in accordance with certain service requirements in both American Sign Language and Langue des signes québécoise. We were honoured that the CRTC established a provisional Board of Directors for this new central administrative body, consisting of one representative from Bell, one from the Canadian Association of the Deaf (CAD), and a third person of their joint choosing.

In the summer of 2014, the provisional Board proposed a structure for the central administrative body, now known as the Canadian Administrator of VRS, Inc., or CAV, in consultation with the Deaf and hard-of-hearing community. The CRTC approved this proposal in December 2014. Bell is committed to seeing VRS launch in Canada in a timely and efficient manner, and will continue to provide strong support to CAV.

VRS

Bell has been actively supporting the introduction of Video Relay Service (VRS) in Canada



WIRELESS HEALTH, SAFETY AND CONSULTATION

The safe operation of Bell's telecommunications sites is critical to the communities in which Bell operates. As part of Health Canada's ongoing and regular review of its Safety Code 6 guidelines, in early 2015 Health Canada released a revised and more stringent version of its Safety Code 6 guidelines. All of Bell's wireless, broadcasting and radio sites comply with or exceed Health Canada's Safety Code 6 requirements. Similarly, all manufacturers of wireless devices offered by Bell test their products to ensure they meet all applicable guidelines and regulations.

Bell Mobility is a member of the CWTA, which monitors worldwide scientific research related to mobile technologies. We meet regularly with other carriers through the CWTA's working groups to address potential issues with a view to satisfying community concerns regarding the placement of new telecommunication sites as we continue to expand our networks to address coverage or capacity needs.

Radiofrequency emissions

Many studies have been performed to assess whether wireless phones, networks and towers pose a potential health risk. Some studies have indicated that radiofrequency emissions may be linked to certain medical conditions, while other studies could not establish such a link between adverse health effects and exposure to radiofrequency emissions. Some recent studies have suggested that a precautionary approach may be warranted.

In 2013, the International Agency for Research on Cancer (IARC) of the World Health Organization (WHO) published an authoritative review of the carcinogenicity of radiofrequency emissions. The IARC Working Group classified radiofrequency electromagnetic fields from wireless phones as possibly carcinogenic to humans, but also indicated that chance, bias or confounding could not be ruled out with reasonable confidence. In its fact sheet on mobile phones reviewed in October 2014, the WHO stated that to date, no adverse health effects have been established as being caused by mobile phone use. The IARC called for additional research into long-term heavy use of mobile phones, and further studies are underway.

In April 2014, an expert panel of the Royal Society of Canada (RSC) published a report prepared for Health Canada which reviewed major international studies and new knowledge in the scientific literature. The RSC concluded that a weight-of-evidence evaluation shows that the current evidence for a causal association between cancer and exposure to RF energy is weak. At the same time, the RSC confirmed that existing scientific data cannot be used to rule out any possible adverse health outcomes from exposure to radiofrequency emissions, and further research is warranted.

As we deploy new technologies, especially in the wireless area, we are mindful that some stakeholders have concerns about the potential long-term health effects on customers who use such technologies, including wireless communications devices.

Health Canada and Industry Canada are responsible for establishing safe limits for signal levels of radio devices. We make every effort to ensure that the handsets and devices we sell, as well as our network equipment, comply with all applicable Canadian government safety standards. We also rely on our suppliers to ensure that the network and customer equipment supplied to us meet all applicable safety and regulatory requirements.

For more on suppliers, see the [Responsible products and services](#) section of this report.

Community consultation

We believe in and practice meaningful dialogue with land-use authorities as part of our efforts to expand our wireless networks. We work with municipalities, provincial and federal agencies, First Nation, Métis and Inuit communities to mitigate local concerns about tower placement, operation and design. Bell complies fully with Industry Canada's guidelines for public and municipal consultation as laid out in CPC-2-0-03, Issue 5, Radiocommunication and Broadcasting Antenna Systems. Before acquiring property for a new telecommunication site, Bell works with community officials to identify local preferences and review established protocols. Prior to beginning any land acquisition for a new tower site, Bell looks to place antennas on existing structures such as tall buildings and pre-existing towers where technically possible.

As part of our community consultation program, we undertake thorough public consultations for proposed wireless antenna sites with local residents and stakeholders. Bell routinely conducts open houses, public meetings and written consultations in communities across the country to provide information and to understand local views on proposed tower sites.



All of Bell's wireless, broadcasting and radio sites comply with or exceed Health Canada's Safety Code 6 requirements.

RESPONSIBLE PRODUCTS AND SERVICES

Bell's centralized procurement organization controls the strategic sourcing of goods and services. Among many other activities, this team issues competitive bid requests, negotiates pricing and terms with suppliers, and executes corporate supply agreements.

Bell maintains relationships with a variety of suppliers, including manufacturers, distributors, contractors and consultants. They are largely focused on the following areas: wireline and wireless network infrastructure, information technology, wireless devices, consumer residential products, business telecommunications products and services, media content, and carrier services.

Any purchase of goods and services can generate economic, social and environmental impacts. Bell actively manages uniform supply chain performance tools such as a risk assessment, a corporate responsibility questionnaire for suppliers, and an audit process that includes provisions for corrective action and ongoing monitoring. Bell also considers sustainable criteria for its products and services, ranging from energy consumption, recyclability, content value and environmental certifications to attributes related to human and labour rights, health and safety and ethics principles.

Supplier approach

The Bell Environmental Policy requires that we seek out suppliers who demonstrate a strong commitment to corporate responsibility through the adoption of rigorous principles regarding the environment, health, safety, labour and ethics.

All new Bell contracts bind suppliers to Bell's [Supplier Code of Conduct](#), clearly establishing the expectation that the supplier will take all reasonable measures to respect that code in its own operations and with its supply chains. Bell uses a detailed questionnaire to assess suppliers during the selection process and to improve the policies of existing suppliers. Combined, the Procurement Policy, the Supplier Code of Conduct and the questionnaire form the basis for evaluating suppliers.

Our centralized sourcing approach enables us to obtain the best value through our significant purchasing power while ensuring adherence to our sustainability objectives.

Product approach

Beyond the supplier approach to responsible business, we also address specific products through our expanding criteria program. Our Fibe TV receivers and modems qualify under ENERGY STAR®, a voluntary government-business program that ensures products meet a premium level of energy efficiency. The same responsible criteria continue to be implemented in Bell's business units as we introduce new suppliers for modems and TV receivers.

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

New in 2014, we developed sustainable criteria for packaging materials used for tangible goods that we resell to customers or use internally. In 2015, these criteria will be added to contract templates. For existing contracts, the criteria will be added as part of the regular contract renewal cycle.

BELL'S OBJECTIVES FOR RESPONSIBLE PROCUREMENT:

- 1 Increase the number of products covered by eco-criteria
- 2 Continuously improve our responsible procurement program.

Conflict minerals

Many electronic devices contain small amounts of metals—such as tantalum, tin, tungsten and gold—that are derived from minerals known under U.S. laws as conflict minerals because in certain cases they are mined in exploitative circumstances. Bell shares the concerns of many companies

in the electronics and telecommunications industries that use conflict minerals that may directly or indirectly finance or benefit armed groups in the Democratic Republic of the Congo (DRC) or in adjoining countries.

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

In 2011, ahead of the anticipated adoption by the U.S. Securities and Exchange Commission (SEC) of rules requiring certain public companies to disclose the use in their products of conflict minerals that may directly or indirectly benefit armed groups in the DRC or an adjoining country, we asked our major suppliers of electronic equipment to implement processes and control mechanisms to avoid the use of such minerals in the products they supply to Bell. As improvements are made to mechanisms that enable manufacturers to validate that conflict minerals are sourced from conflict-free operations, and as suppliers take action, our supply chain becomes more transparent because our suppliers can better identify the sources of conflict minerals in products that we resell, such as mobile phones.

In addition to our well-established initiatives in this regard, we took additional steps in 2014. Specifically, we further updated our Procurement Policy and our Supplier Code of Conduct to formalize our commitment to sourcing responsibly and to emphasize our insistence that our suppliers demonstrate their commitment to deploy effective controls over their respective supply chains and the responsible sourcing of conflict minerals. In addition, we added controls in our centralized procurement process to identify suppliers of products we resell, lease or distribute to customers that contain conflict minerals. Further, through our contractual

process, we evaluate such suppliers' commitment to sourcing minerals responsibly. In addition, we closely monitor this matter through our membership in GeSI, which supports efforts to improve the transparency and traceability of minerals in the supply chain through the conflict-free smelter program set up by GeSI and the EICC Extractives Work Group.

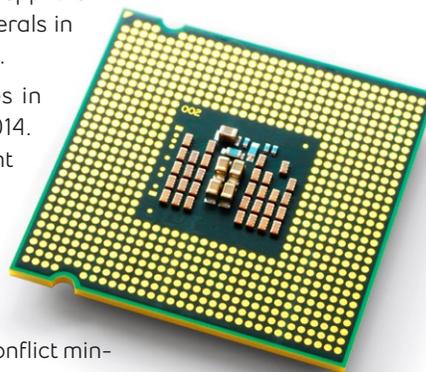
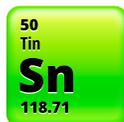
These actions underscore our strong conviction that Bell has an important role to play in encouraging responsible supply-chain practices. As part of that, we continue to engage with groups around the world on such issues.

Supplier diversity

In 2014, our Procurement team took a number of steps to learn more about supplier diversity, its evolution in Canada and how it can provide a competitive advantage while at the same time contributing to social responsibility of corporations. These steps included:

- Attending supplier diversity industry events organized by the Canadian Aboriginal and Minority Supplier Council, Women's Business Enterprise and the Canadian Gay and Lesbian Chamber of Commerce. We also became a member of those organizations
- Meeting experts from 11 Bell suppliers that have supplier diversity programs, to learn more about successful supplier diversity program implementation
- Providing awareness and information sessions on the program to internal Bell partners who are involved in supplier management.

Next steps include obtaining support for our strategy from Bell's Diversity Council and then designing our detailed program.





Community

We understand and welcome our role as a leading citizen and good neighbour and we work to fulfill that expectation by participating fully in the villages, towns and cities where we live.

Bell Let's Talk
commitment to
mental health
increased to
\$73M

Donated a
record-setting
\$2.5M
to mark the
25th anniversary
of Kids Help Phone

COMMUNITY

Bell operates in thousands of communities across the country. We understand and welcome our role as a leading citizen and good neighbour and we work to fulfill that expectation by participating fully in the communities where we live and work.

The Bell Let's Talk mental health initiative

The fight against stigma

With initiatives such as Clara's Big Ride for Bell Let's Talk, Bell expanded its work to engage Canadians in the national conversation about improving mental health across the country through the award-winning Bell Let's Talk program. Focused on fighting stigma, supporting research, improving access to care and ensuring psychological health and safety in the workplace, Bell Let's Talk is the largest ever corporate commitment

to mental health in Canada. Each year it reaches more Canadians, builds awareness and generates more funding, ultimately raising hope for millions of sufferers and those close to them.

Mental illness is one of the most pervasive health issues in the country, with far-reaching consequences for every Canadian. One in 5 people will experience a form of mental illness and most will be

reluctant to talk about it, even to those close to them. Because of that stigma, just one-third of those who have a psychological disorder will seek treatment. Even those not directly affected will more than likely be touched by a co-worker, friend or family member who faces a struggle. Mental health problems and illnesses also account for more than \$6 billion in lost productivity costs due to absenteeism and presenteeism (reduced effectiveness while at work).

Initially, Bell Let's Talk was a \$50 million commitment. It has since grown to more than \$73 million on the strength of the enthusiastic response of Canadians to Bell Let's Talk Day.

A record Bell Let's Talk day

Each year, Olympic champion Clara Hughes leads a high-profile campaign to reduce stigma and raise more funds to fight mental illness. She is supported by business, political and entertainment leaders across the country who share their own struggles with mental illness as a way of encouraging everyone to get involved. Hundreds of large businesses and organizations also support the campaign.

Canadians responded in record numbers on the 5th annual Bell Let's Talk Day on January 28, 2015. Bell donated an additional 5 cents for each of the 122 million long distance and mobile calls, texts, tweets and Facebook shares recorded on the day, 12% more than in 2014. As a result, Bell committed \$6,107,538.60 more to mental health initiatives.



From left to right: Clara Hughes, Michael Landsberg, Howie Mandel, Michel Mpambara, Mary Walsh and Stefie Shock - all ambassadors of Bell Let's Talk Day.



Bell added to its list of celebrity ambassadors for Bell Let's Talk Day. In addition to the ongoing leadership of Clara, we also enlisted sports broadcaster Michael Landsberg, comedian and TV host Howie Mandel and entertainer Mary Walsh to raise the profile of the event. As always, entertainers Stefie Shock and Michel Mpambara were prominent leaders of our program in Québec.

We also refined our communications about Bell Let's Talk Day to increase the impact. With messaging focused on creating a stigma-free Canada, we promoted 5 simple ways to support a broader understanding of mental illness, developed with Dr. Heather Stuart of Queen's University, the world's first chair in anti-stigma research. They are:

- LANGUAGE MATTERS** Pay attention to the words you use about mental illness
- EDUCATE YOURSELF** Learn, talk more and understand the signs
- BE KIND** Small acts of kindness speak a lot
- LISTEN AND ASK** Sometimes it is best to just listen
- TALK ABOUT IT** Start a dialogue, break the silence.

CLARA'S BIG RIDE TAKES ANTI-STIGMA INITIATIVES TO THOUSANDS

The major innovation in our anti-stigma campaign for 2014 was Clara's Big Ride, a 110-day bike ride to every province and territory during which Olympic hero Clara Hughes covered more than 11,000 km and met with thousands of Canadians. Starting in Toronto in mid-March,

Clara endured all the extremes of a Canadian spring to travel to 105 communities before crossing the finish line on Parliament Hill on Canada Day. She attended 235 community and school events and collected thousands of signatures to support working together to create a stigma-free Canada, including the Governor General, the Prime Minister and 160 other elected officials and leaders.

Clara's Big Ride generated extensive news coverage, both nationally and locally, to further spread the message. As well, Bell Media filmed a documentary of her epic journey, directed by Larry Weinstein, one of Canada's most accomplished filmmakers. The documentary was broadcast in prime time by CTV, CTV Two and CTV Go in January, with on-demand availability at CTV.ca and on CraveTV.

5th
annual
Let's Talk day
in 2014

Support for better care and access

In 2014, Bell continued to invest in a broader selection of innovative programs aimed at improving care and access to care for those with mental health issues.

We contributed another \$1 million in one-time grants of up to \$50,000 to 58 additional community organizations that are involved in mental health care at the local level in every region of the country through the Bell Let's Talk Community Fund. Applications for the 2015 fund were being processed as this report was prepared and results will be communicated publicly in October.

Our major new commitments to improve access to care in 2014 included:

- \$1 million for a joint project with the Government of Alberta to improve access for children and youth throughout the province, especially in rural and remote areas, with a single online access point to information and care
- \$1 million to Vancouver General Hospital and the University of British Columbia Foundation to complete their funding campaign to the new Joseph & Rosalie Segal Family Health Centre. When the centre opens in 2017, it is estimated it will serve 1,900 people as inpatients and about 30,000 outpatients every year, making it the largest purpose-built mental health facility in the province and one of the largest in the country

- \$1 million over 5 years to support community mental health and anti-stigma programs in Nunavut, the Northwest Territories and Yukon with a focus on helping Inuit and First Nations youth at the community level
- \$500,000 to the CHU Sainte-Justine to create Québec's first integrated Mother-Child Centre for Eating Disorders to meet demand that has grown 44% in the last 4 years alone
- \$500,000 to the Université de Montréal to implement a number of new initiatives to support students experiencing stressful situations or suffering from anxiety or a mood disorder
- \$500,000 to McGill University to help fund the McGill Wellness Portal, a comprehensive self-screening tool focused on the most common mental health issues faced by McGill students: depression, anxiety, eating disorders, and alcohol misuse
- The Bell True Patriot Love Fund provided \$250,000 in grants to 16 organizations across the country that deliver mental health programs and support to military families, veterans and serving members. Funded projects include providing opportunities for military families to learn about mental health resiliency and access to care as well as a companion dog program that helps those with post-traumatic stress disorder. The fund has provided 32 grants to such projects since 2013
- \$225,000 to Université Laval for mental health training for frontline staff and specialized services through the Student Assistance Centre
- \$150,000 to the Nunatsiavut government's *Aullak sangilivalliang-innatuk—Going Off, Growing Strong* program to enhance mental health services in Nain. The program pairs young people with positive role models who teach them traditional skills such as hunting, fishing, navigation, and the preparation of wild foods.

Investing in research

Since the Bell Let's Talk program began, Bell has provided significant support to several leading-edge research initiatives at hospitals, universities and other institutions across Canada. Bell is also supporting the best researchers by funding chairs, fellowships and project grants. In 2014, we continued to provide significant support to:

- Sunnybrook Health Sciences Centre to create the Bell Canada Chair in Adolescent Mood & Anxiety Disorders, led by Dr. Amy Cheung

- Concordia University's Department of Psychology to subsidize therapy and assessment at the university's Applied Psychology Centre and Centre for Clinical Research in Health
- Brain Canada to establish the Bell Mental Health Research Training Awards to support talented young Canadian mental health researchers with matching funding from the Government of Canada
- Douglas Mental Health University Institute to support mental health research at its unique brain bank
- Queen's University to support the world's first Mental Health and Anti-Stigma Research Chair, led by Dr. Heather Stuart.

Workplace psychological health

Bell has established itself as a leader in deploying and promoting best practices to ensure psychological health and safety in the workplace. This is a significant challenge for Canadian business and for the economy as a whole. In any given week, at least 500,000 employed Canadians are unable to work due to mental health problems. The economic burden of mental illness in Canada is estimated at \$51 billion per year. This includes health care costs, lost productivity and reductions in health-related quality of life.

Bell proactively and continuously enhances access to mental health information for our team members, online, in person and through seminars and events with health care organizations and professionals. Our entire management team undergoes training to support team members experiencing mental health issues and we have implemented an innovative return-to-work program for team members affected by mental illness.

Our work in this area impacts more than our employees. For instance, in collaboration with Queen's University, Bell and Morneau Shepell developed a progressive workplace mental health certificate training program that teaches leadership skills in managing performance and promoting a mentally healthy workplace. The program is available to all Canadian businesses and organizations from Morneau Shepell.

Early in 2014, we celebrated the first anniversary of the National Standard for Psychological Health and Safety in the Workplace, an initiative for which we were the major private-sector source of funding. These guidelines provide organizations with resources to ensure better mental health for their employees. We also significantly increased the benefit coverage offered to our employees for psychological and social work services.

Workplace initiatives such as these have earned Bell many honours, including, in 2014:

- Excellence Canada's 2014 Gold Award for Mental Health at Work for Bell's leadership in promoting mental health across corporate Canada
- The Workplace Benefits Award for Mental Health, recognizing Bell's creative and effective mental health initiative to support and encourage the psychological well-being of employees
- The Mental health and Well-Being Award presented by the Québec Order of Psychologists in recognition of the contributions made by Bell Let's Talk to improving the lives of people across Québec
- A Public Service Award from the Ontario Psychological Association for leadership in workplace mental health

Making a difference

A Nielsen Consumer Insights survey conducted in October 2014 showed that Canadians feel there has been progress on mental health in the past 5 years. Specifically, respondents reported that:

- 78% are more aware of mental health issues
- Almost 50% believe the stigma associated with mental health has reduced
- 68% believe attitudes about MH issues have changed for the better.

While the Bell Let's Talk initiative was not the subject of the survey, and therefore we cannot draw a direct causal relationship between our program and the improving national perception of mental illness, we note that the change has taken place during the time Bell Let's Talk has existed.

As well, Bell's investments in community agencies, hospitals, and universities have resulted in direct benefits for individuals as well as for mental health care systems and services community-wide. Some highlights include:

- Bell Canada Youth Mental Health Outreach Clinic at Ontario Shores Centre for Mental Health Sciences has reduced its wait list from 9 months to 3 weeks
- The Portage projects has eliminated a 3-month waitlist for mental health services for youth
- The Royal Ottawa Foundation for Mental Health Telemedicine Suites has hosted 320 of the Royal's 1,367 consultations, approximately one of every 4 virtual patient visits
- Fondation de l'Institut universitaire en santé mentale de Montréal is designing mobile applications that assist patients in their treatment and recovery; these innovations represent a first in Québec for the development and use of new mobile technologies in mental health
- Friends of Mental Health have enhanced counselling programs that help family and friends learn how to care for people living with a mental illness by detecting relapses, anticipating crises and accompanying relatives to treatments, while establishing personal boundaries in order to preserve their own mental and physical health
- The Dots NB campaign, which raises awareness for children's mental health issues across New Brunswick, has logged 140,000 participants in the last 3 years.

Raising more funds for mental health

In addition to investing directly in better mental health, Bell supports a variety of fundraising initiatives and campaigns led by other organizations.

We sponsor the annual awareness campaign of the Canadian Alliance on Mental Illness and Mental Health. The campaign, which includes The Champions of Mental Health Awards and Mental Illness Awareness week, aims to turn up the volume on the conversation about the need for improved access to services and support for mental health in Canada.

As the main sponsor of the Montréal Walk for Mental Health, held every October since 2011, Bell supports anti-stigma sensitization in an event that attracts more than 1,000 walkers representing community mental health organizations and their clientele.



Participants to the Montréal Walk for Mental Health took the streets last October.

We are also major supporters of Kids Help Phone, the only national bilingual telephone and online urgent help resource for young people facing any number of challenges, including mental health issues, bullying and family conflict. Hundreds of Bell volunteers help organize and participate every year in the Walk So Kids Can Talk, the organization's major fund-raising initiative, with full support from the company. In 2014, Bell made a record-setting corporate donation of \$2.5 million to mark the 25th anniversary of Kids Help Phone. In addition, employee volunteers from Bell Canada, Bell Media, Bell Aliant, and The Source canvassed for pledges and participated in local walks, raising a total of \$374,364. Since the event began in 2002, Bell team members have raised more than \$9.7 million.

In another joint initiative, Bell contributed \$80,000 and the city of Montréal \$20,000 to help Chez Doris, the Old Brewery Mission and Refuge des Jeunes enhance their mental health services for the city's homeless population.

We also continued our long-term collaboration with the Ottawa Senators Foundation in numerous ways, proudly helping the NHL team reach the \$100 million mark in funds raised for community initiatives over its 22-year history. Among the most significant initiatives is the Bell Capital Cup, the largest amateur hockey tournament in the world, which has raised more than \$2.5 million for the foundation over 15 years. Another major collaboration has been a 5-year agreement to raise \$1 million for the Children's Hospital of Eastern Ontario (CHEO) through the Bell Sens Soirée and the Bell Sens Charity Golf Classic which, in 2014 alone, raised more than \$140,000. The Sens and Bell have also worked closely together to promote the Bell Hockey Talks Youth Mental Health Awareness Night. Along with raising awareness at the game and ancillary events, this initiative has generated more than \$212,000 for DIFD (Do It For Daron), a youth mental health awareness fund started in memory of the daughter of former Senators player Luke Richardson.

There were many other initiatives. For example, during the CHEO telethon, Bell's Miracle Match Challenge helped boost the fundraising by \$10,000 in less than 10 minutes. As well, Bell donates all proceeds from its Blue Box program—which encourages customers to recycle their used mobile phones—to the Canadian Mental Health Association.

Bell team members
have raised more than
\$9.7M
for Kids Help Phone
since 2002

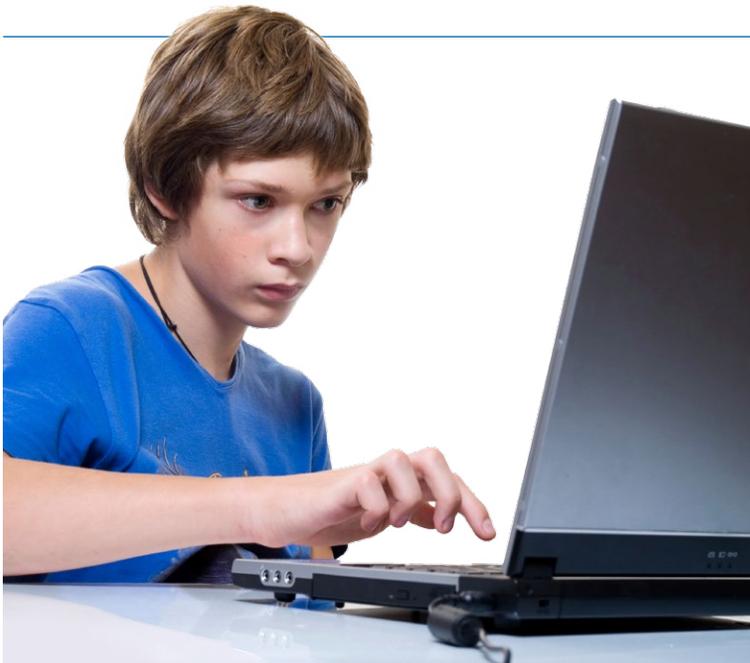
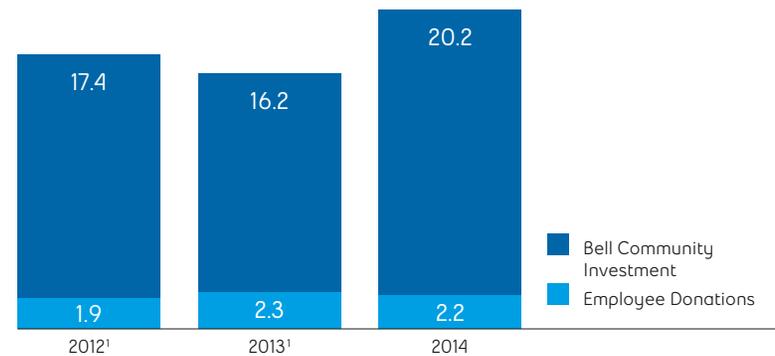
Investing in communities

Overall in 2014, Bell invested more than \$20 million in the communities we serve, including workplace mental health programs. This includes support for a range of community initiatives in addition to Bell Let's Talk. Through the Employee Giving Program, Bell matches donations that team members make to United Way/Centraide, the Canadian Mental Health Association, and Canadian universities and colleges. The company covers all administrative costs of the Employee Giving Program. Most of the program contributions are automatically deducted from payroll, but whatever the method of payment, 100% of the funds go to charity.

Bell also provides grants to charities and community sports organizations at which our employees or retirees volunteer. Bell will grant up to \$500 a year to any approved organization supported by an employee's individual volunteer commitment of at least 50 hours. For a retiree, the grant is up to \$250 for 50 hours or more of volunteer time. The company will also grant up to \$2,500 to an organization for which employees or retirees contribute 250 hours as part of a larger volunteer team.

Through the Employee Giving Program, Bell team members and retirees donated more than \$2.1 million in 2014. In addition, they contributed 337,000 hours of volunteer time to amateur sport organizations and charities. In the remainder of this section, we present the community programs and organizations Bell and its constituent parts support.

BELL COMMUNITY INVESTMENT
(\$ millions)



KEEPING CANADIAN CHILDREN SAFE ONLINE

As a founding supporter, Bell contributes \$150,000 every year to promote cyber safety through the Canadian Centre for Child Protection.

Half of that is earmarked for Cybertip.ca, a national tip line for Canadians to report their concerns about online sexual exploitation of children and to raise awareness of the issues so that children are better protected when they use the Internet.

Since 2002, Cybertip.ca—which Bell has supported since its inception—has worked with law enforcement to respond to 144,000 complaints from the public and provided 10.5 million pieces of educational material to schools and families across the country. In 2014 alone, Cybertip.ca received approximately 33,000 reports from Canadians.

¹ Restated to align with scope of business units defined for 2014.

NeedHelpNow.ca

You(th) are **not** alone.

#youtharenotalone

The other half of Bell's donation goes to the Centre's initiatives to reduce "sexting" which is when young people create, send and share sexual imagery online or via texts. Bell has funded 2 guides to help parents and educators address the

issue. Bell's support also helped the Centre launch needhelpnow.ca which provides young people with practical advice on dealing with sexting situations.

In 2014, Bell continued its \$50,000 annual commitment to MediaSmarts, of which we are also a founding supporter. MediaSmarts is a national, bilingual organization committed to digital and media literacy for parents

and families, teachers and librarians. They work closely with academics, broadcasters, telecommunications service providers and Internet-based organizations offering specific initiatives such as online tutorials to assist parents with strategies for the digital generation, a web-awareness workshop series for teachers and librarians, and media literacy week to build public awareness of the importance of digital consumers developing critical-thinking skills.

Bell is also proud of its role as a founder of the Canadian Coalition Against Internet Child Exploitation and its Cleanfeed Canada initiative (operated by Cybertip.ca). This was developed to reduce Canadians' exposure to child abuse images and create a disincentive for those who access and distribute child pornography.

PROVIDING COMPUTERS FOR SCHOOLS AND NON-PROFIT ORGANIZATIONS

Again in 2014, Bell gave strong support to the Computers for Schools program (CFS) which provides refurbished computers to primary and secondary schools and to various non-profit organizations. This program is ISO 14001:2004 certified and has been audited and approved by the RQO (Recycler Qualification Office) under the ERRP (Electronics Reuse and Refurbishing Program). It has also been selected as an EPRA-Québec (Québec Electronic Products Recycling Association) reuser/refurbisher. In addition to chairing and managing the program in Québec, Bell also provides space for a workshop and office management. CFS encourages reuse, social inclusion and environmentally sound recycling.

In 2014, Bell and its subsidiaries donated 6,655 used computers, 1,119 monitors and 198 printers, for a total of more than 70,000 computers, 15,000 monitors and 4,000 printers since the program began.

In an associated initiative, the [Bell Aliant Pioneers](#) refurbished and distributed 3,801 computers in Atlantic Canada in 2014. The Bell Aliant Pioneer Volunteers is one of the largest corporate-based volunteer organization in Atlantic Canada. Its more than 6,000 members comprise current and retired employees of Bell Aliant and its predecessor companies who focus on education and technology-related projects within their communities.



	COMPUTERS	LCD MONITORS	PRINTERS
Bell Canada	5,163	806	136
Bell Technical Solutions	902	51	23
Bell Media	253	116	28
RDS	337	146	11



BELL MEDIA FOCUSES ON COMMUNITY AND MEDIA INDUSTRY SUPPORT

BCE-Astral tangible benefits fund

As the country's premier media company, Bell Media invests in a variety of initiatives that support the broadcasting industry and the development of Canadian talent. Among the key recipients in 2014 were:

- The National Screen Institute's Totally Television program, which helps creative writer/producer teams refine their concepts for TV series and secure development deals with broadcasters
- The annual Dreamspeakers Film Festival celebrates Aboriginal arts, heritage and film from around the world. In 2014, 28 of the 38 films presented were Canadian
- MusiCounts, an organization that makes grants to schools at all levels across the country to enable them to buy musical instruments
- The National Music Centre's Artist-in-Residence program which enables diverse artists to create innovative work in a unique world-class facility
- Broadcast journalism scholarships in 2014 supported the Southern Alberta Institute of Technology.

As part of our acquisition of Astral Media, Bell agreed to establish a tangible benefits fund of \$246.9 million to develop French- and English-language TV, radio and film content, support emerging Canadian musical talent and enable new media training and consumer participation initiatives in the Canadian broadcasting industry. In 2014, our tangible benefits funds went to organizations such as:

- The National Theatre School, to provide students with opportunities to transfer their stage skills to cinema and television
- Les Journées de la culture, coordinated by Culture pour tous, a Québec-wide, free 3-day event of arts and culture. Our contribution supported the redesign and development of web platforms to spread the impact to more audiences
- Wapikoni Mobile operates mobile studios equipped with the latest digital technology for music and video production. They are brought to Aboriginal communities to break the isolation of youth by providing them with the opportunity to develop artistic, technical, social and professional skills.

BELL ALIANT COMMUNITY INVESTMENT

Bell Aliant is active in the communities it serves across Atlantic Canada. Bell Aliant and the Canadian Mental Health Association of Prince Edward Island hosted the annual Golf for Life Tournament, raising money for Signals of Suicide, a school-based suicide prevention program. The tournament has raised more than \$200,000 since 2000.

In New Brunswick, Bell Aliant supported Dots for Kids Day, during which more than 70,000 people across the province rang bells for a minute at noon to raise awareness for kids' mental health.

In Nova Scotia, Bell Aliant was a major supporter of Halifax Connects, a day in which people in that city—often homeless or living in poverty—get free access to services that can make their lives better, such as medical and foot care, clothing distribution, a sit-down lunch, and even a hair salon.

In the Backpack for Kids program, Bell Aliant volunteers packed and delivered 13,000 backpacks full of school supplies so that elementary pupils could start the academic year with everything they need. That was a 20% increase over the year before, and brings the total to 50,000 since the program began in 2003.

A significant part of Bell Aliant's contribution comes from the work of



Bell Aliant volunteers participate in the Backpacks for Kids program.

hundreds of Pioneer volunteers. As a group, the Pioneers provided 100,000 hours of volunteer service in the year and donated more than \$136,000 in cash to various charities across Atlantic Canada. For example, they made and distributed 3,184 heart

pillows for use by cardiac patients after surgery. And Pioneer volunteers were very active in Newfoundland and Labrador, partnering with the Royal Newfoundland Constabulary, the RCMP and emergency first responders to fund training in youth mental health first aid.

SUPPORTING NORTHERN COMMUNITIES

In addition to our \$1 million Bell Let's Talk commitment to support mental health in Canada's northern territories, we delivered a variety of other initiatives to enrich life in northern communities through our subsidiary, Northwestel, which forged more than 200 unique partnerships throughout the North, focusing on 4 areas: health and mental wellness; arts and culture; aboriginal community and culture; and youth initiatives.

Health and Mental Wellness

In addition to supporting Clara's Big Ride, we supported projects such as the Kamatsiaqtut Help Line in Nunavut, a distress and support line for the Yukon, a community TV show, "Yukon State of Mind", the Stanton Territorial Hospital Foundation mental health initiative, and Theoren Fleury's Message of Healing in Yukon.

Arts and Culture

Northwestel continued to invest in programs and organizations that work to promote northern culture through artistic expression. In 2014, our support went to initiatives such as the Directory Art Cover contest, Nunavut Arts Festival, Yukon Arts Centre's Lovers Series and Alianait Arts Festival.

Aboriginal community and culture

To foster the rich and predominant aboriginal culture of the North, we support a variety of programs including National Aboriginal Day celebrations, the Emerging Leaders Gathering in Yukon, and First Nations graduation ceremonies.

Youth Initiatives

Because youth are critical to northern development, we provided ongoing support to organizations such as the Beaufort Delta Education Council, Aurora College, the NWT Literacy Council, the Fort Nelson Public Library, Special Olympics Yukon and Sports North.

MAINTAINING SERVICE IN THE FACE OF FIRES

In the summer of 2014, 2.8 million hectares of woodland, an area just slightly smaller than Vancouver Island, was ablaze from 352 fires. The smoke caused highway closures, and the fires put Northwestel's network equipment and phone service to hundreds of communities at risk.

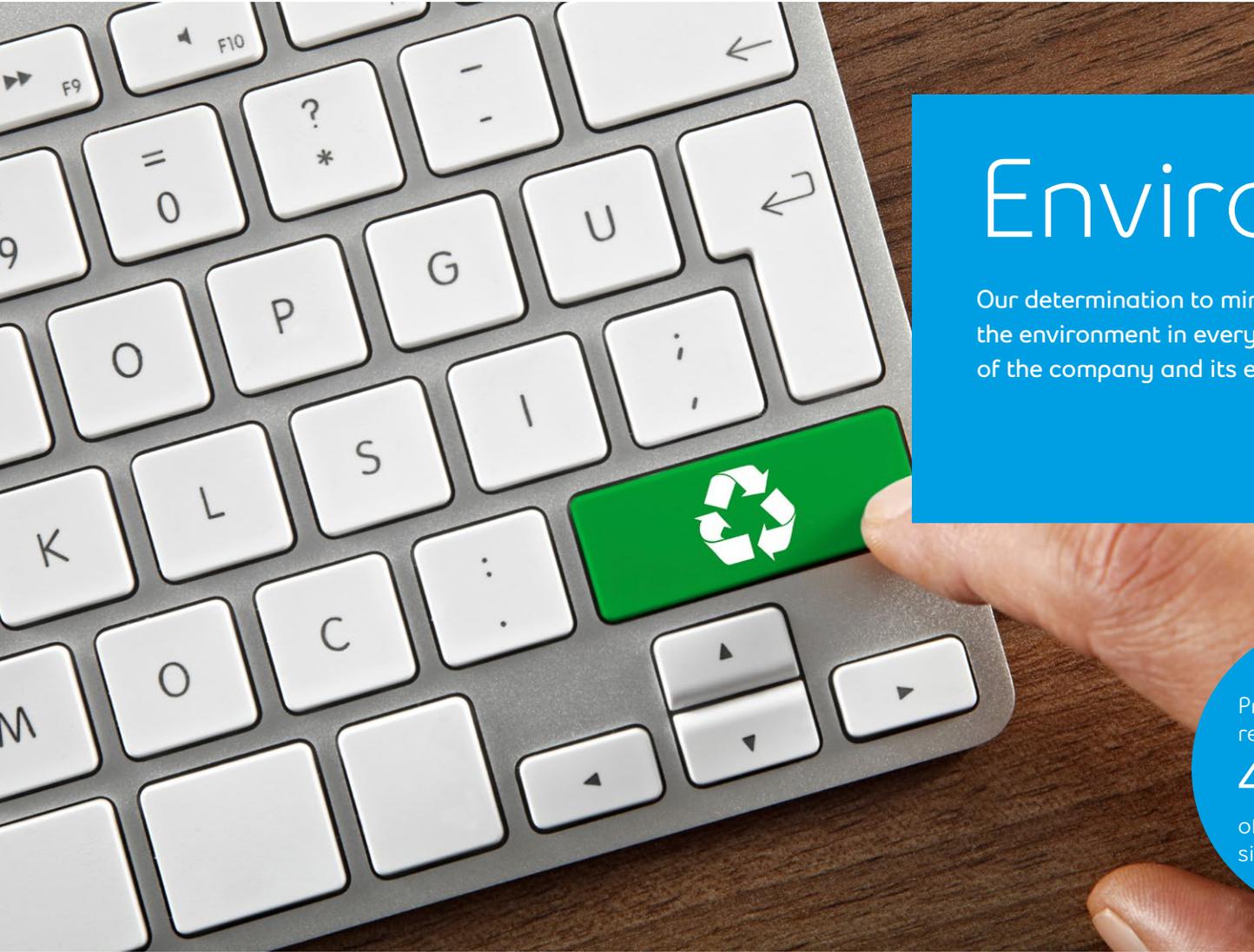
That's why the company's technicians worked around the clock to ensure that the company's services remained active.

"We had to make sure our equipment didn't physically burn up or melt," said Field Operations Manager Bob O'Toole, whose team was kept busy clearing brush from hundreds of kilometers of fibre buried or strung across the Northwest Territories to ensure continued service in the South Slave communities. "At one point, we even borrowed a fire truck from Hay River to extinguish hot spots above our buried lines."

The company had learned from the experiences of the summer of 2013.

"Last year, we saw that fire could not only destroy exposed equipment, it actually got so hot in some spots that it could melt our fibre buried 2 feet underground," said Paul Gillard, Northwestel's Operations Support Centre Director. "We saw one area near our Morrisey Microwave site lose service when the buried fibre in the area physically melted. This year, we were ready."

In addition to thousands of gallons of water pumped onto numerous hot spots, Northwestel buried its fibre access points for hundreds of kilometres along Highway 3 and coated them in fire retardant. "We're very happy to say it all paid off," said Gillard. "During this year's fire season, we only saw a single fire-related disruption—a brief outage in Kakisa."



Environment

Our determination to minimize our carbon footprint and safeguard the environment in every aspect of our operations reflects the values of the company and its employees.

44

Total of Bell buildings certified BOMA BEST

Prevented the release of nearly

43.5 kt

of CO₂ equivalent since 2008

ENVIRONMENT

COMMITMENT TO ENVIRONMENTAL LEADERSHIP

A deep commitment to environmental protection is core to our sustainability vision and aligns with our strategic imperative to achieve a competitive cost structure. Just as important, our determination to minimize our carbon footprint and safeguard the environment in every aspect of our operations reflects the values of the company and our employees, and the expectations of customers, investors and the public at large.

We make every effort to be environmentally responsible when deploying and maintaining networks, building our offices and consuming energy and other resources. For more than 20 years, Bell has implemented and maintained numerous programs to reduce the environmental impact of our operations. Bell has achieved ISO 14001 certification for our environmental management system, the first and only Canadian telecommunications company to be so certified. We also receive many commendations every year for our environmental performance.

Carbon reduction

Bell team members save energy and reduce GHG emissions by minimizing the time our vehicles are left on idle, increasing energy efficiency at Bell facilities and using Smart Meeting tools such as VideoZone as an alternative to travel. As well, we are visible supporters of broader environmental initiatives such as Earth Hour, when most Bell buildings across Canada go dark, along with signs on major venues such as the Bell Centre in Montréal.

Bell has long understood that the use of its products and services help fight climate change by reducing the carbon footprint within our operations and those of our customers. More than that, we understand that adherence to environmental protection initiatives produces positive benefits for the business. Our carbon-reduction efforts help us spend less on fuel and electricity, which also supports one of our key corporate strategic imperatives: to establish a more competitive cost structure. Thus, carbon-reduction initiatives have a tangible positive effect on Bell's bottom line.

We support the findings of the [Global e-Sustainability Initiative \(GeSI\)](#), of which Bell is an active member), [SMARTer 2030 report](#), released in June 2015. The GeSI study estimated that widespread deployment of information and communications technologies (ICT) could save up to 10 times the carbon emissions generated by the ICT sector itself.

There is a scientific consensus that GHG emissions, especially carbon dioxide, are a major contributor to climate change. Our critical infrastructure and facilities simply must provide a consistent, secure and reliable environment to operate our network and IT infrastructure



and to house employees. Our operations depend on how well we protect our networks as well as other infrastructure and facilities against damage from natural disasters, including seismic and severe-weather events such as ice, snow and wind storms, flooding, hurricanes, tsunamis and tornadoes.

Scientists generally agree that global climate change could exacerbate some of these threats, including the frequency and severity of weather events.

From a long-term perspective, we have made a deep commitment to continue developing ICT solutions that reduce the carbon footprint. Our approach also includes quantifying risks and opportunities stemming from climate-change issues with a view to leveraging Bell's products

In 2009, we joined Écotech Québec, which unites key Québec decision-makers in the clean technology (cleantech) sector. The aim of this group is to unite and mobilize the cleantech industry around common goals and actions, participate in the “greening” of the Québec economy through sustainable development, and support entrepreneurs in accelerating the design, development, adoption, commercialization and export of clean technologies.



In the same spirit, we also support the entrepreneurial efforts of cleantech start-ups such as Netlift. We signed up our Montréal and Ottawa regional offices for Netlift's car-sharing service in early 2014. Québec City will be added in Fall 2015. The online tool was in its beta phase but still increased our national participation in such services fivefold in less than 12 months.

and services to enable carbon reduction. This means identifying the potential impact of severe weather on our operations with the Business Continuity team. That team assesses threats, vulnerabilities and impacts on our business and develops risk-mitigation plans. We monitor the potential for current and future climate-related legislation, policy and regulations that may also impact our business, and report on these findings to the SEHS twice a year.

At an asset level, our corporate real estate, risk management and business continuity teams assess risks and opportunities for our buildings, networks and fleet. Buildings and networks are first prioritized by how essential they are to the continued delivery of key telecommunication services. This leads to plans for mitigating risk and improving operations. Natural disasters and energy costs are the most significant issues for our risk-and-opportunity assessment.

In support of Bell's climate policy to meet our absolute carbon emission objectives, in 2008 we created the Energy Board committee, a management-level committee reporting to the SEHS. This committee's mandate is to specifically identify and ensure the implementation of energy-reduction initiatives in our vehicle fleet, buildings, telecom network, IT infrastructure and business travel program.

We also align incentives with environmental objectives, and that produces results. In 2014, for instance, we saved 40.26 GWh or 4,500 tonnes of CO₂ equivalent of electricity in our buildings, data centres and networks.

GREENHOUSE GAS (GHG) EMISSIONS

As a conscientious corporate citizen, Bell takes seriously its responsibility to control and reduce where possible its GHG emissions.

EMISSIONS

(kilotonnes of CO₂ equivalent)

	2014	2013	2011 ¹
Scope 1	140.16	144.04	137.86
Scope 2	262.30	247.66	235.34
Scope 3	9.52	9.91	10.59
Total	411.98	401.61	383.79

¹ To maintain the comparability of data and performance trends, performance data on energy use and carbon footprint equivalent for our base-year of 2011 and for 2013 have been adjusted compared with previously reported numbers to include Bell Aliant and Bell Astral operations using site-specific data and also minor changes reflecting improved reporting for certain data flows. Data for 2012 were not included because we report the base-year and the 2 most current years, in line with our financial reporting.

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

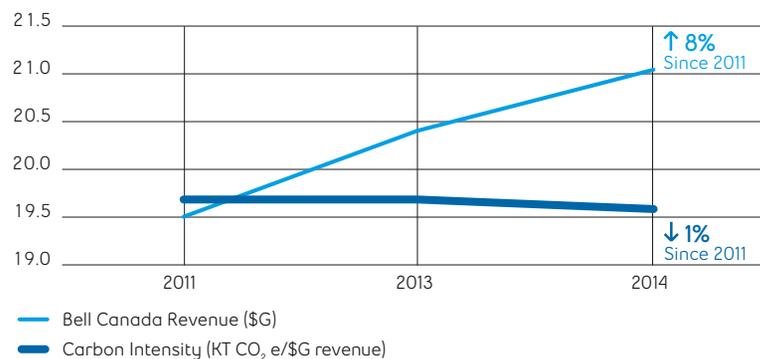
Bell is a case in point. To ensure quality of service for our customers, maintain direct control over operations and promote business continuity that provides secure employment and career development potential, we have vertically reintegrated many of the functions that are often outsourced by companies in our industry. For example, our operations include installation technicians (Bell Technical Services) and construction operations (Expertech) who depend on a fleet of vehicles to take them to our customers and job sites. These activities increase our Scope 1 GHGs (direct GHG emissions from sources that are owned or controlled by Bell) in comparison to any competitor telco that outsources such functions.

Also, because we have more aggressively diversified to ensure sustainable growth in the business—adding broadcast and other media companies, Bell Media and Astral Out-of-Home—we have increased our consumption of energy. This is accounted for in our Scope 2 (indirect GHG emissions associated with the consumption of purchased electricity, heat, steam and cooling) emissions.

Compared with 2013, Bell's carbon footprint increased by 10 kilotonnes in 2014. In terms of Scope 1 emissions (direct GHG emissions from sources that are owned or controlled by Bell), we increased the number of fleet vehicles by 9%. However, we decreased the quantity of refrigerant released in 2014. Overall, the effect has been to lower our carbon emissions from Scope 1.

The largest portion of the 2014 increase over 2013 is attributable to Scope 2 emissions (indirect GHG emissions associated with the consumption of purchased electricity, heat, steam and cooling). The growth of our business in the last few years, and in particular the expansion of our wireline and wireless operations, has greatly affected our electricity consumption.

GHG INTENSITY



We decreased our Scope 3 emissions (other indirect GHG emissions related to Bell business travel activities) by 4% due to corporate policies and control mechanisms that limit business travel and encourage our employees to use our teleconferencing and videoconferencing services.

Despite the increase of the absolute quantity of GHG emissions, the Financial Intensity Indicator has declined year over year since 2011 due to wireless and wireline business growth.

While our own footprint is increasing, we help our enterprise customers reduce their energy needs, cut carbon emissions and enhance productivity by hosting their servers in a highly energy-efficient environment, and by connecting their devices through our machine-to-machine (M2M) services. M2M services are typically used to optimize fleet management, logistics, distribution and manufacturing processes. Overall, this is a net gain for the planet's carbon load. For more details about the carbon reduction-enabling effect of ICT services, please consult the [SMARTer 2030](#) report.

Impact of wireline expansion

Growth in wireline increased our consumption of electricity in 2014. For example, we increased our total number of Bell FibeTV subscribers by 46.1% to 479,430 and extended our FibeTV service coverage to 6 million households. In addition, our networks include the largest collection of data hosting centres in the country. These data centres house services such as managed hosting and cloud computing to serve the needs of the country's largest organizations, and Bell's remote collaboration tools, such as videoconferencing and teleconferencing, all of which are gaining in popularity. While these data centres increase Bell's energy use, they enable customers to reduce their own energy use.

Impact of wireless expansion

Wireless expansion also increased our consumption of electricity in 2014. We continually expand and enhance our mobile networks to extend our services to more customers and to accommodate the increasing demand for bandwidth. This increased demand is driven by the proliferation of smartphones, which enable people to browse the Internet, watch TV and engage in social networking activities, all on their mobile phones. In 2014 we:

- Acquired 35% of total new postpaid gross activations and 46% of net activations among the 3 major wireless carriers in Canada
- Expanded the number of smartphone users at the end of 2014 to 76% of our total postpaid subscribers, up from 73% at the end of 2013
- Continued our rapid expansion of 4G LTE wireless network technology to reach 86% of the Canadian population coast to coast.

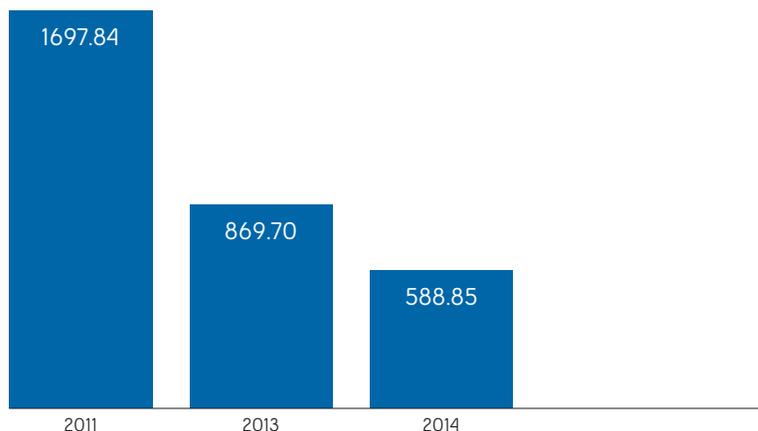
We estimate that at least 51%¹ of the 1,782,773,727 kWh consumed for electricity in 2014 was from renewable sources such as hydro, wind, tidal and solar. 95% of this renewable energy is from hydro sources.

Bell's ambitious energy saving objective

As a recognized environmental leader, Bell set an ambitious objective to reduce GHG emissions by 149 kilotonnes—or 50% of 2003 levels—by the end of 2020. In 2014, recognizing how a series of mergers and acquisitions have transformed our company, we set an objective to re-define our target. With the more recent privatization of Bell Aliant in late 2014, we must extend the redefinition phase until 2017 in order to set a meaningful and achievable carbon reduction target for the whole of BCE.

Recognizing the need to establish targets and deadlines in the interim, and the need to understand our operational footprint in a meaningful way, Bell has set a new intensity indicator, energy consumption intensity (ECI)², which demonstrates a significant reduction of electricity consumption per network usage. In 2014 alone, Bell's ECI decreased 32% compared with 2013.

BELL³ ECI (MWh/PB)



Bell is also working with the CDP and its various partners such as World Resources Institute (WRI), World Wildlife Federation (WWF), Point 380 and McKinsey & Co. on a new approach to setting reduction objectives using a science-based methodology. This methodology aims to limit global temperature rise to 2°C above pre-industrial levels. We will use this as a base for determining how such objectives could be achievable in Bell's operations.

No matter how we define our ultimate objective, Bell's Energy Saving program is an important part of getting to our targets. The program focuses on 3 areas: our facilities, our fleet and substituting technology for travel. It also enhances our cost competitiveness by offsetting rising energy costs.

Even under our original GHG objective, we have made substantial progress. Since 2008, the Bell team has prevented the release of nearly 43.5 kilotonnes of CO₂ equivalent emissions and saved more than \$50 million by reducing electricity consumption at Bell facilities, improving fuel efficiency in company vehicles, and using phone, video and web conferencing tools to curtail business travel. The table below illustrates the cumulative savings for the 3 focus areas.

SAVINGS, 2008-2014

	ELECTRICITY	FUEL	TRAVEL
Energy	247.46 GWh	4.83 million litres	N/A
Costs	\$24.29M	\$5.17M	\$21.2M
CO ₂ equivalents	27.50 kilotonnes	11.4 kilotonnes	4.66 kilotonnes
This is the same as...	Electricity for 24,746 homes for a year	Fuel for 87,800 tanks of gas in a mid-sized car	Fuel for 7,247 airplane trips across Canada

¹ Based on the 2012 data from the *Electricity in Canada: Summary and Intensity Tables of the Canadian National Inventory Report (1990-2013)*, published April 17, 2015 on the [United Nation, Framework Convention on Climate Change](#) website.

² Energy consumption intensity (ECI): Electricity Consumed (MWh) divided by Network usage (PBytes). Network usage includes residential and wholesale Internet, business Internet dedicated (BID) and virtual private network (VPN), IPTV and Inter-Network Exchange (INX). Bell Aliant Atlantic electricity consumption and network usage are excluded from the data. Also please note that as methodology for gathering the network usage differ from one carrier to another, the ECI itself cannot be used to directly compare carrier performance

³ Excluding Bell Aliant operations in Atlantic provinces.

Electricity Savings

FUNCTION	2014 ACCOMPLISHMENT AND 2015 OBJECTIVES	2014 SAVINGS \$	ENERGY GWh
Building	<p>2014 Highlights—Main initiatives</p> <ul style="list-style-type: none"> Free cooling: Modified 93 systems to reduce the need for mechanical cooling, avoiding 3.9 GWh, representing \$391K Lighting improvement: Implemented 560 conversions to LED. These not only reduce lighting pollution but also generate cost avoidance of \$230K or 2.1 GWh Systems re-commissioning: Commissioned 30 systems, resulting in savings of \$165K or 1.8 GWh, to ensure that electromechanical systems are optimized for current building use Settings, calibration, scheduling and operating sequences: Operation group completed 150 action items to improve equipment efficiency and reduce building energy consumption, saving \$406K or 3.7 GWh Subsidies from provincial utilities (\$583K). <p>2015 objectives</p> <ul style="list-style-type: none"> Supplement the ongoing initiatives to reduce electricity consumption in buildings, networks, Mobility cell sites and data centres Add Bell Media and Bell Aliant to the scope of the Energy Board for initiatives that will produce additional energy reductions and cost savings. 	\$3,976,000	30.01
Network (Wireline+Wireless DC Load)	<p>2014 accomplishments</p> <ul style="list-style-type: none"> Modernized power equipment in 63 sites, resulting in recurring yearly OPEX savings of 2.7 million kWh of hydro Removed or de-powered legacy equipment in 66 sites resulting in recurring yearly OPEX savings of 1.7 million kWh of hydro. <p>2015 objectives</p> <ul style="list-style-type: none"> Continue rectifier modernization program Increase legacy network depowering programs, including self-sufficiency programs. 	\$485,000	4.45
Data Centre—IT (UPS Load)	<p>2014 accomplishments</p> <ul style="list-style-type: none"> Removed the equivalent of 1,285 devices by consolidation, optimization and virtualization of servers Through consolidation and virtualization, we optimized 58% of physical servers, up from 50% at year-end 2013. We transformed 30% into virtual machines and decommissioned an additional 20%. <p>2015 objective</p> <ul style="list-style-type: none"> Be 68% virtual. 	\$646,000	5.12
Bell Mobility Network Electricity	<p>2014 accomplishment</p> <ul style="list-style-type: none"> Saved \$88K and energy consumption of 0.67 GWh by improving efficiencies in free cooled shelter programs and by taking advantage of incentives to replace lights and aeronautical painting on Bell Mobility towers. <p>2015 objective</p> <ul style="list-style-type: none"> Pursue free-cooled shelter programs. 	\$88,000	0.67
Total:		\$5,195,000	40.25



After a successful trial in 2013, in 2014 we installed four 15Kw Solar Photovoltaic arrays in remote helicopter sites at Courageous Lake, MacKay Lake, McEvoy Lake and Weasel Lake.

Bell is fostering innovation and entrepreneurship by engaging with cleantech clusters, such as Écotech Québec, focused on accelerating the development of clean technology. Through such partnerships, Bell aims to support local innovation and to liaise with cleantech entrepreneurs to improve our environmental performance. Within these organizations, Bell leads by example, demonstrating in practical ways the idea that ICT services offer simple and smart ways to improve productivity while reducing energy costs and GHG emissions by using the following services in our own operations:

- Virtualization and cloud computing that ensure optimal use of space, power and cooling resources by consolidating servers and storage capacities
- Electronic controls coupled to the communication network to reduce energy consumption in buildings
- Telemetry systems that reduce idling and optimize the routes of commercial vehicles
- Teleconferencing that reduces travel needs
- Social networks that facilitate carpooling and car-sharing
- Virtual products (books, newspapers, magazines) and electronic transactions.

In 2013, Bell and Écotech Québec organized Inno+ sessions where more than 10 companies presented projects featuring innovative technology to help Bell further improve its energy efficiency. As a result, Bell is working with Carnot, a pioneer in the development of CO₂ refrigeration technologies, on innovative data centre cooling solutions—unique in Canada—that have the potential to significantly reduce Bell’s environmental footprint. In 2014, Bell conducted a pilot project in one of our data centres with surprisingly positive results: the system can maximize free cooling up to 10 degrees Celsius, 5 degrees better than expected. By maximizing free cooling using a thermo-siphon principle that employs outside air to cool the refrigerant gases (CO₂), it is possible to cool the equipment without using compressors, which are the major consumers of electricity, for more than 150 days per year.

OUR FLEET

By 2014, Bell had installed telematics on more than 11,700 vehicles. Telematics provide vehicle positioning and vital engine information, allowing service technicians to be more productive. The latest telematics units can sense idling, harsh acceleration and excessive speed, all of which are detrimental to fuel economy, providing opportunities to coach employees about safer, greener driving habits.

Replacement

Our program includes the ongoing deployment of more fuel-efficient vehicles. In 2014, we replaced 634 older vehicles with new, more fuel-efficient models. That included replacing 52 2007 Dodge Caravan minivans with 2014 models. We estimate that, due to improved engine and transmission technology, fuel efficiency with these new vehicles is 17% better than with the older vans, going from 14.5 L/100 km to 12 L/100 km.

Fuel consumption

In 2014, Bell's fuel consumption increased 1.5% compared with 2013, which means 486,000 more litres of fuel were used. This increase was due in part to the vehicles we inherited from the Astral acquisition and the addition of 348 vehicles to our fleet, to help us roll out FibeTV as our business expanded. In addition, a harsh winter reduced our fuel efficiency by 4.5% in January and February compared with the same period in 2013. Overall, though, annual fuel efficiency partially recovered as the year progressed, ending with a decrease of 1.08% compared with 2013. Overall fuel efficiency deteriorated from 17.73 L/100 km in 2013 to 17.92 L/100 km in 2014.

We rolled out a formal idling policy across the company in October 2014.

Electric/hybrid vehicle trials

In 2014, Bell continued to test a hybrid plug-in passenger car (Ford C-Max Energi) and also tested a regular hybrid (C-Max), with 7 vehicles in Ontario and 6 in Québec. In 2015, we will analyze the energy consumption of these vehicles and compare it with the fuel consumption of our standard passenger car, the Ford Focus. This analysis will determine the potential of electric and hybrid vehicles to meet the demands of our work while minimizing environmental impacts.

Prototype vehicles

We are also testing new, more fuel efficient minivan models (Ford Transit Connect and Ram ProMaster City) and more fuel-efficient full-size vans (the Ford Transit and Ram ProMaster). They will replace the Grand Caravan, Ram Cargo Van CV and older Ford Econoline vans.



COMMUNICATIONS TECHNOLOGY

Virtualization

Virtualization is a systematic approach to limiting the carbon footprint of our data centres by optimizing space, power and cooling use through the consolidation of servers and storage. In 2014, we removed the equivalent of 1,285 devices under this program.

Through consolidation and virtualization, we optimized 58% of our physical servers, up from 50% at year-end 2013. We also transformed 30% into virtual machines and decommissioned an additional 20%. This reduced capital requirements and saved approximately 5,120,000 kWh—enough energy to heat 5,120 households for a year. It also resulted in a year-over-year reduction of 569 tonnes of GHG emissions.

Conferencing solutions

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

Bell has deployed 1,273 dedicated VideoZone endpoints throughout the company, from Vancouver to St. John's.

Videoconferencing is a fast-growing tool used 11 times more often today than just 7 years ago. In 2014, Bell team members held 151,906 VideoZone conference calls, up 17% from just a year ago. Assuming that 1 in every 10 video calls allows us to avoid \$750 in travel costs, in combination with other factors, video conferencing helped Bell save approximately \$10 million in 2014.

Bell team members also held 929,047 AudioZone calls last year, an increase of 7% over 2013.

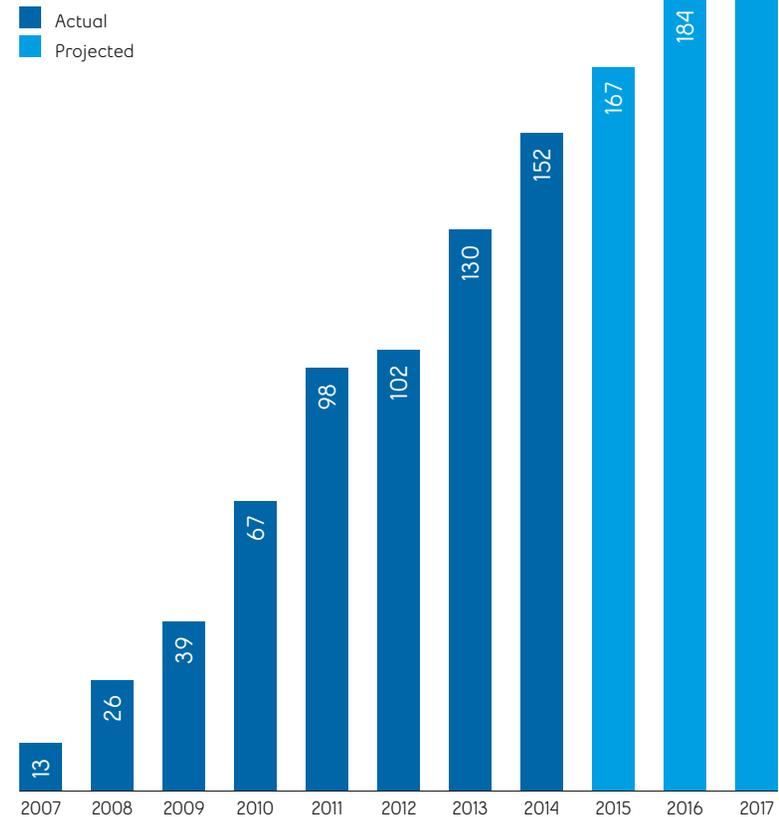
Video conferencing saved us approximately **\$10M** in 2014

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

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

VIDEOZONE GROWTH

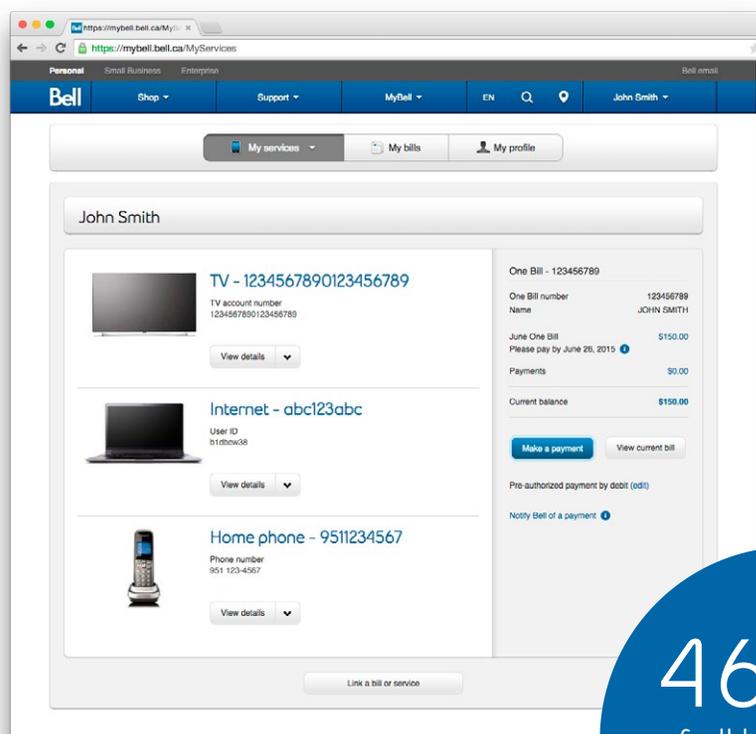
Number of video calls (in thousands)



Electronic billing

In 2014, we continued to leverage technology to reduce our impact on the environment. For example, 46% of all bills produced by Bell (excluding Bell Aliant and Northwestel) were electronic. This is an increase of 7 percentage points over 2013. Including Bell Aliant, 42% of all bills were electronic. This reduced consumption of paper saved about 52,000 trees, which have the potential to capture approximately 6,600 tonnes of CO₂. The balance of our bills was printed on paper certified by the Forest Stewardship Council (FSC). We continue to promote paperless billing, automatically registering new customers to electronic billing and charging a fee for new customers who still want a paper bill.

For 2015, our objective is to increase e-billing to 46% of all bills produced by Bell (including Bell Aliant), an increase of 4 percentage points over 2014.



46%
of all bills produced
by Bell (excluding
Bell Aliant) were
electronic

HALOCARBONS

Halocarbons are chemical compounds such as chlorofluorocarbons (CFCs), hydrochlorofluorocarbons (HCFCs), hydrofluorocarbons (HFCs) and halons. Halocarbons are used in air conditioning/cooling systems and fire extinguishing systems. When released into the atmosphere, they contribute to global warming, and some of them are ozone-depleting substances (ODS) that destroy the stratospheric ozone layer which protects the Earth from damaging ultraviolet rays.

Canadian federal and provincial regulations aim to progressively eliminate some halocarbons (CFCs, HCFCs and halons). They also regulate the control of halocarbon releases and disposal, as well as the use of qualified labour to manage them.

At Bell, CFCs were phased out in early 2007, replaced by HCFCs and HFCs that are less harmful to the environment. However, HCFCs were only developed to serve as transition cooling agents. They are now targeted internationally, and their elimination is progressively planned in Canada. Specifically, the production of HCFC-22, intended to serve as a refrigerant, will not be allowed in Canada by 2020. To address this situation, all of Bell's business units have prepared a 5-year plan to replace HCFC-22.

Bell also phased out halons by mid-2010. However, with the recent acquisition of Astral and Ontera, Bell once again has buildings equipped with systems using halon as a fire extinguishing agent. In 2015, we will establish a halon phase-out plan for these former Astral and Ontera facilities.

Bell uses approximately 150 tonnes of refrigerant in more than 11,000 air conditioning systems across the country. These systems average 15 years of service. Of these, more than 64% use R-22 as refrigerant.

Bell's long-standing commitment to managing halocarbons has resulted in many advances over the last decade, including the following:

- Helping develop an air conditioning system that uses compressed CO₂ as a refrigerant rather than HCFCs
- Creating guidelines for the decommissioning of air conditioning/cooling systems and halon fire extinguishing systems
- Converting or replacing air conditioning/cooling systems using CFCs
- Developing phase-out plans aligned with government and industry recommendations for equipment using HCFCs in all business units
- Implementing a reporting process in the event of a halocarbon leak.

Even with the preventive and routine maintenance we conduct on our equipment, releases of halocarbons are inevitable due to mechanical defects and breakdowns. In 2014, our number of halocarbon leaks decreased by 24% compared with 2013. Total leaks represented 5,207 kg of halocarbons, which is 30% lower than the volume leaked in 2013. This is just 3% of the 150 tonnes of halocarbons we use across the country.

To further reduce leaks and control any future impact, we perform root-cause analyses of incidents and equipment life cycles.

	2014	2013
Total weight in use (tonnes)	150	143
Number of leaks	380	500
Amount leaked (tonnes)	5.2	7.5
Proportion of total weight leaked (%)	3%	5%

DEFINING OBJECTIVES

Our halocarbon program has clear and consistent objectives:

- Protect the ozone layer
- Minimize the use of halocarbons
- Maintain systems using halocarbons in compliance with applicable regulations
- Decommission equipment using HCFCs as soon as possible, in accordance with government regulators' expectations.

MANAGING WASTE

Diverting waste from landfill

A company's business model directly impacts the amount of waste it generates. Generally speaking, companies with greater vertical integration are responsible for a more significant proportion of their industry's waste.

Unlike other telecommunications companies, our installation and construction are integrated functions, so we manage our network waste ourselves. Outsourcing such functions would allow us to reduce our waste-to-landfill results, but we would not be able to maintain direct control over functions that directly impact customer service and operations.

To minimize the amount of waste sent to landfill, Bell runs several programs to reduce, reuse, recycle or use as fossil fuel substitutes the products and materials required to operate our business.

Any corporate move or renovation generates surplus material—furniture, appliances, computers, artwork, supplies—that can end up in landfill. Across North America, in fact, that adds up to millions of tonnes piling up in landfill every year. This not only contribute to carbon emissions, it locks away potentially useful and therefore valuable resources.

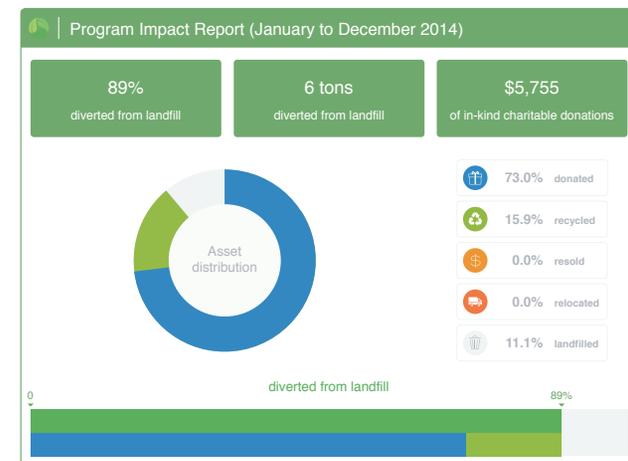
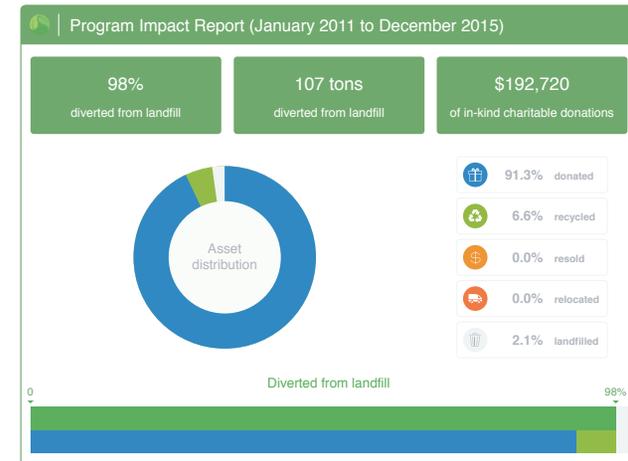
Green Standards specializes in the responsible and cost-effective redistribution of surplus and obsolete durable goods, including office furniture, fixtures, supplies and IT equipment. Bell partners with Green Standards to resell, recycle and provide charitable donations to ensure that the amount of our surplus office furniture that ends up as waste is minimized and that the benefit to the community is maximized. Bell and Green Standards have partnered on 11 projects since 2011.



In 2014, Green Standards and Bell diverted 89% (5.4 tonnes) of surplus office furniture from landfill. Donations were made to the Pearson Educational Foundation, the Integra Foundation and the Salvation Army Thrift Store.



Since the partnership began in 2011, Bell has diverted 98% of its surplus office furniture from landfill—97 tonnes in all. The overall value of the in-kind donations since then is \$192,720.



1 ton = 2,000 lb 1 metric tonne = 2,204 lb

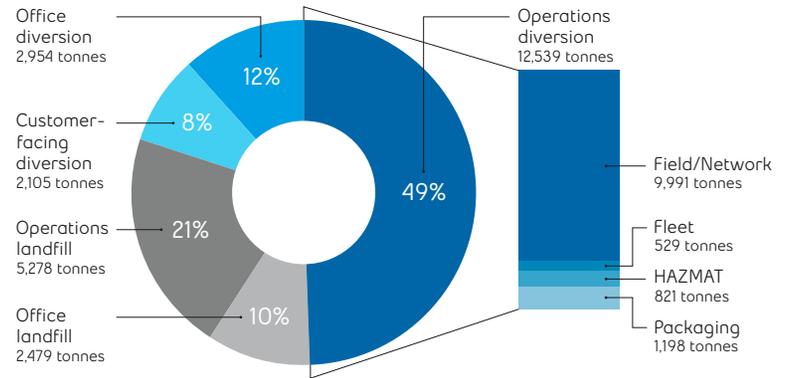
Three decades ago, we established a program to reuse and recycle our network equipment, including telecommunication cables, terminals, utility poles, cable reels and wood pallets. Today, we equip all of our work centres with recycling bins where materials are collected and directly sent to our recycling business partners. In 2014, waste from operations represented 70% of all waste produced at Bell. We diverted 70% of this from landfill. Our administrative buildings produced 22% of the total waste in 2014. Of this, 54% was diverted from landfill.

In 2014, our overall diversion rate increased by 0.8 percentage points to 69.4%. We were able to reduce the amount of waste sent to landfill due to expanded services, employees' segregation efforts in our administrative buildings, and an increase in the number of customer-facing products recovered. On the operational side, we noted a small increase, mainly due to an increase in fibre optic cables, which cannot be recycled or reused at this time. When setting our objective to divert 75% of waste from landfill by 2016, we considered the number and type of network project activities. Recovery, however, depends on waste generation, which is a result of the number of projects we carry out in a year. While we recognize that less waste is better, we also recognize that the type of waste we generate has an impact on diversion. For this reason, we are seeking partners to explore ways to valorize fibre optic cable.

Our general objective for 2015 is to improve awareness in each function that generates residual materials. We will also analyze our network operation recovery program to identify opportunities to improve its efficiency and to facilitate sorting by employees. With regard to administrative buildings, we will improve recycling and composting services at 5 main buildings to further reduce waste sent to landfill.

RESULTS BY FUNCTION (TONNES)

2014 diversion rate: 69.4%



FUNCTION	BELL 2014 ¹			BELL 2013 ²		
	RECYCLING/VALORIZATION (METRIC TONNES)	LANDFILL (METRIC TONNES)	DIVERSION RATE %	RECYCLING/VALORIZATION (METRIC TONNES)	LANDFILL (METRIC TONNES)	DIVERSION RATE %
Office	2,954	2,479	54.0%	2,906	2,761	51.0%
Operations	12,539	5,278	70.0%	11,506	4,768	71.0%
Customer-facing	2,105	0	100.0%	2,030	0	100.0%
Overall	17,599	7,757	69.4%	16,442	7,529	68.6%

1 Excluding Bell Aliant operations in Atlantic provinces
 2 Data is adjusted to include Bell Aliant (excluding operations in Atlantic provinces).

Waste from offices

Six years ago, we began our Sort-It program, which encourages employees to sort their waste at central stations by separating paper, cardboard, glass, steel, aluminum and organic matter. 13 sites now offer this program, representing 65% of office employees. In 2015, we plan to add 5 more buildings.

Bell's reuse and recycling programs also address residual materials such as electronic waste, toner cartridges and office furniture. In 2014, we expanded the Zero Waste Program to 2 more buildings in Yukon and the Northwest Territories. We also recovered 2,105 tonnes of customer-facing products in 2014, including TV receivers, mobile phones and accessories. For more on recovering customer-facing products, please see the [Environmental stewardship for electronic devices](#) section in this report.

- In 2014, office waste represented 22% of all waste produced at Bell
- We collected 5,433 tonnes of material from office operations, 54% of which (2,954 tonnes) was diverted from landfill, up from 51% a year ago
- We reused and recycled 70 tonnes of computers and peripherals, and 8 tonnes of toner cartridges
- 7,600 students collected more than 17,500 directories, which were diverted from landfill through Northwestel's Directory Recycling Program.

Waste from operations (Field, Fleet and Network)

Bell has been recovering residual materials from operations for more than 3 decades. Telecommunications cable, terminals, utility poles, cable reels, wood pallets, lead-acid batteries and some hazardous materials produced by Field, Fleet and Network activities are reused and recycled. In 2014, operational waste represented 70% of all waste produced at Bell. We collected 17,817 tonnes of material, 12,539 tonnes (70%) of which were diverted from landfill. This waste breaks down as follows:

- 529 tonnes come from our fleet vehicles, including tires, batteries, oil and filters, used engine antifreeze, and cleaning solvents. We divert 100% of this from landfill
- 821 tonnes are hazardous materials, such as lead-acid batteries, alkaline batteries, fluorescent tubes, oily containers, contaminated rags and absorbents, aerosols and other pressurized containers, paints, solvents, and glues. These materials are managed under centralized or local programs and are 100% diverted from landfill
- 1,198 tonnes are packaging products for network equipment, such as wood pallets, cardboard boxes and plastic wrap. Of this, 83% is reused or recycled
- 9,991 tonnes are hardware telecom materials, such as cables, terminals, utility poles and cable reels, 68% of which is reused or recycled.

We support the Centre de formation en entreprise et récupération (CFER), a school that teaches useful skills in recovery and refurbishing to young people without a secondary school education. CFER collects and sorts recyclable materials generated at 15 of our work centres in Québec.

In 2015, the results for Bell operations in Atlantic provinces will be integrated into our report. Bell Aliant has historically recovered cable reels and lead-acid batteries; in 2014, Bell Aliant recovered 393 tonnes of material.

Hazardous Residual Materials (HRMs)

By law, some residual materials are defined as hazardous, because they may be a threat to human health or the environment. Federal, provincial and municipal laws and regulations strictly regulate the management of these hazardous materials, especially when stored, transported or sent for disposal. When these materials are not disposed of properly, contaminants can enter the atmosphere or migrate through the soil and pollute groundwater, affecting drinking water quality.

Bell collects hazardous materials generated by its operations and manages them according to the most rigorous standards. Some materials are recovered and managed centrally, including batteries, small non-spillable batteries, oily containers, contaminated rags and absorbents, aerosols and other pressurized containers, paints, solvents, and glues. The special bins used to collect these hazardous materials are sent to the Hazardous Materials Recovery Centre (HMRC) in Laval, Québec. At this site, we sort and store the materials before returning them to stock, recycling them or sending them for safe disposal.

In some cases, materials generated from Bell's operations are managed locally, such as at work centres, at switching centres and in Bell stores. In such cases, the local site deals with transportation, recycling and disposal suppliers directly, and ensures these materials are properly managed. Federal, provincial and municipal laws and regulations regulate each step of local HRM management.

To minimize our environmental impact, we promote efficient use of potentially dangerous products. This not only results in less waste but also saves money. In addition, we reduce our financial impact on the company by procuring cost-effective products. To achieve this, Bell has implemented an evaluation process for new "controlled" products.

The Corporate Responsibility and Environment team continually gathers information on new products to be introduced into company operations, assessing them based on best operational practices and environmental impact.

OBJECTIVES

- Minimize the purchase of hazardous materials
- Recover all hazardous materials used in Bell's operations
- Minimize the landfilling and the incineration of hazardous materials by maximizing reuse, recycling and energy recovery
- Ensure the transportation of residual dangerous goods complies with regulations
- Maintain all required documentation with regard to the shipping of hazardous materials
- Have comprehensive information on the hazardous material inventories at the recovery centre and be able to effectively communicate this information
- Ensure the proper management of batteries owned or serviced by Bell and removed from client premises.

Environmental stewardship for electronic devices

Bell has put programs in place to help its customers protect the environment by making it easier for them to recycle their products, including mobile phones, Bell Internet modems and Bell TV receivers. In 2014, thanks to our customers' participation in our recovery programs, Bell diverted more than 2,100 tonnes of electronics from landfill.

Bell recovers mobile phones through 2 complementary programs: the Bell Trade-in program and the Bell Blue Box program. Launched in 2003 and available at all Bell stores, Virgin Mobile stores and participating The Source locations, the Bell Blue Box program was the first cross-Canada collection program established by a company for re-using and recycling mobile phones. Bell donates the net proceeds from the Bell Blue Box program to the Canadian Mental Health Association (CMHA), a partner in the Bell Let's Talk Mental Health Initiative. Combined, the Bell Trade-in program and the Bell Blue Box program diverted almost 250,000 phones from landfill in 2014, for a total of more than 1.6 million mobile phones and 115 tonnes of batteries and accessories since 2003.

PARTNERSHIP WITH LOCAL BUSINESS TO REDUCE E-WASTE

In April 2014, Bell began a partnership with ElectroBac, a young Montréal business rolling out a network of smart collection bins for electronic waste throughout Greater Montréal. ElectroBac's mission is to reduce the volume of obsolete electronics sent to landfill each year. The smart bins can be found on university campuses, in grocery stores, in office buildings, in shopping centres and at other high-traffic locations. This service is an example of the carbon-reducing effect of ICT. Specifically, the the bins' machine-to-machine (M2M) communication with the central office eliminates the need to physically deploy vehicles to each location to determine pick up requirements, thereby reducing fuel consumption.



In addition, Bell participates in provincial recycling programs for other electronic products, such as tablets, headsets, TVs and computers. For more details on these programs, visit our website Bell.ca/recycling. Bell collected more than 700,000 modems and 855,500 TV receivers in 2014.

Recovery is difficult to predict and control, as it relies on customers' motivation to upgrade to newer devices. Indeed, recovery is often related to economic activity: in times of economic recession, people upgrade their devices and sign up for new plans less frequently. It is also dependent on customer behaviour. A CWTA study shows that 40% of Canadians store their old handsets when they acquire new mobile phones. Since we have no control over when or whether a customer returns a device, we are exploring reasonable and achievable performance indicators for the recovery of used products which take into account our limited control over public behaviour.

ITEM	TREND	AMOUNT COLLECTED 2014	AMOUNT COLLECTED 2013
Mobile phones	↑	250,000	194,955
Modems	↑	700,000	640,486
TV receivers	↑	855,500	719,406
Mobile phone batteries (tonnes)	↓	1.97	2.62
All other batteries (tonnes)	N/A	17.62	N/A
Accessories (tonnes)	↓	1.89	3.4
Corded phones (tonnes)	↓	16.85	17.00

SUSTAINABLE BUILDINGS

In keeping with our commitment to continuous improvement—and our goal of remaining an industry leader in sustainable practices—in 2014, Bell began developing an integrated, sustainable real estate strategy that addresses all building activities with a potential impact on the environment.

Part of the strategy, which goes beyond compliance with regulatory standards, is that the BOMA BEST (Building Owners and Managers Association Building Environmental Standards) and LEED (Leadership in Energy and Environmental Design) building certifications are central to the way we ensure all environmental impacts are taken into account. Bell actively works to obtain environmental assessments and certifications for buildings. We have BOMA BEST certifications for 44 of the buildings we occupy: 17 in Québec, 22 in Ontario, 3 in British Columbia and 2 in Alberta. Of these, 11 have achieved the prestigious BOMA BEST Level 3 or Level 4, and 1 was awarded the BOMA Earth Award.



The Bell Bay Street Tower on Trinity Square in Toronto, which received the prestigious BOMA Earth Award.

Prior to 2013, Bell had 4 LEED certifications: LEED-NC Certified (Montréal), LEED-NC Silver (Mississauga), LEED-EB GOLD (Toronto), and LEED-NC GOLD for our data centre in the Gatineau area. The Montréal Nuns' Island Campus is the largest corporate LEED building in Québec. Our LEED-certified data centre in Gatineau is designed to be in the top 2% of data centres in North America with the most effective use of power, using green hydro power on a grid separate from that used by most National Capital Region consumers. It also complies with the strictest security standards, including advanced biometric access controls. Bell intends to expand the Gatineau data centre while maintaining its LEED-NC Gold certification. The expansion will include LED lighting with time- and motion-based controls, and rainwater recovery.

Our data centre in Markham, Ontario uses power from a local district energy utility. The building produces emergency power and cold water on a massive, highly efficient scale, augmented by a solar array on the roof of the facility. It also repurposes the cold water used to cool equipment in the centre by returning the now warm water to the community, where it is used to heat nearby schools and community centres.

In total, 18,236 employees work in BOMA BEST or LEED buildings, representing 64% of Bell team members¹ located in office buildings, switching centres and work centres. Overall, 8.7 million square feet of Bell's occupied space is certified, representing 71% of all building space owned or leased by Bell. This is equivalent to more than 1,850 NBA basketball courts. Put another way, every work day, we could fill every seat at the Air Canada Centre with employees working in eco-friendly workplaces.

Our target over the next 4 years is to collaborate with landlords and facility managers to renew certifications, and to certify more of the buildings we own or lease. This will ensure we continually increase the number of employees working in certified facilities. Moreover, we aim to enhance our sustainable real estate strategy to cover new areas, such as green parking and green housekeeping.



Montréal's Bell Campus on Nuns' Island.

¹ Excluding Bell Aliant, whose representative population in BOMA buildings will be integrated into the data for 2015.

WATER CONSUMPTION

Although Bell's activities have only a minor impact on water resources, as we mainly use water for drinking and sanitary purposes, Bell acknowledges that the availability of drinking water is a growing concern in many communities around the world. As well, we are benchmarking industry best practices for water governance programs, standards and initiatives.

In 2014, we continued to improve our understanding of our water consumption across all sites. We performed water consumption audits for all owned and leased properties to identify the sites that consume the most water. We will use these conclusions to develop a multi-year plan to improve water consumption data accuracy.

We aim to establish a formal and auditable methodology to produce an annual report disclosing yearly water consumption, water reduction initiatives, water consumption variations and reduction objectives for the following year.

The consumption reduction initiatives we have already taken include the installation of water-efficient fixtures compliant with the LEED O&M standard. We have also performed an internal study on the possibility of rainwater harvesting, the results of which are still under evaluation.

We continue to assess the materiality of water for our business and look for new opportunities to decrease our water consumption.

WATER CONSUMPTION BY TYPE

(in m ³)	2014 ¹
Office	545,417
Operations	679,642
Total	1,225,059

¹ The methodology for calculating water consumption was modified in 2014 to better reflect current practices, making it more accurate. Data for 2012 and 2013 are no longer comparable.

BIODIVERSITY AND INTEGRATION INTO THE PHYSICAL ENVIRONMENT

Bell recognizes that the first step to protecting the environment and at-risk species is to avoid sensitive locations, such as wetlands, waterways, provincial and national parks, and First Nations' reserves, whenever possible. Accordingly, we conduct environmental assessments for our network projects and apply mitigation measures to minimize any potential impact on natural habitats, as well as obtain regulatory approvals where required. For instance, we avoid the use of treated wood poles in sensitive natural areas, using cedar poles instead. Bell's pole suppliers must comply with responsible purchasing policies for forest products and only deliver products that are sourced from sustainably managed and certified forests.

The network projects conducted by Bell and its subsidiaries can have an impact on natural and human environments. Considering the vast extent of its territory and the numerous environments affected by its network, Bell thoroughly studies each project and analyzes its potential impact on the environment. When planning and preparing network projects, we consider the federal, provincial and municipal legal frameworks.

We have developed an internal program for evaluating and integrating each of the company's practices and procedures, in order to systematically reduce the impact of network projects on the environment. The evaluation process is mainly intended for project managers and applies to all project steps, including installation planning, design, construction, maintenance and decommissioning. The program is supported by a procedure summarizing the steps that must be followed to identify the required legal authorizations for construction or maintenance work in environmentally sensitive, regulated areas.

Biodiversity preservation, a primary way to reduce the potential for resource scarcity that could affect us all, is also essential to our business continuity. We therefore make every effort to minimize tree trimming, cutting and clearing during network deployment, while maintaining network integrity.

The outdoor application of pesticides on the company's properties is another environmental concern that may represent a risk to human health. In 2002, Bell adopted a policy prohibiting the use of any pesticide for aesthetic purposes on properties it owns or manages, ahead of legislation. This policy complements our environmental approach to managing vegetation, which involves planning, maintaining and monitoring properties in order to reduce pesticide use. Nevertheless, the nature of our business requires that we sometimes control the proliferation of vegetation. For example, we must ensure that vegetation does not restrict access to telecommunication cables, for safety reasons. In such cases, mechanical methods, such as pruning and clearing, are prioritized over the use of chemical products.



Bell team members experimenting with a squirrel repellent to protect the sheaths of fibre optic cables.

CREATIVE THINKING

In 2014, Outside Technologies Research (OTR) began testing a squirrel repellent to protect the sheaths of fibre optic cables. Squirrels are rodents, which means they need to regularly file down their constantly growing teeth, and they do so with the plastic we have been using for many years to cover our wires and hardware. Our engineers have tried to protect the cables with squirrel guards and metal sheaths, but these are expensive to purchase, install and maintain.

The creative solution proposed by OTR was to install a hardware sheath with a natural rodent repellent made of synthetic tiger urine and cayenne pepper. Felines are natural predators of rodents, and the smell of tiger urine keeps the squirrels away from the cables. If the squirrels are not discouraged by the urine smell and chew on the sheath anyway, the cayenne pepper creates an unpleasant but benign burning feeling in their mouths, and they stop chewing.

The experimental sheaths installed last summer successfully repelled the rodents, while traditional cables continued to be attacked. The winter results are not yet conclusive, but it is believed the cold air may diminish the effectiveness of the repellents. The OTR team is monitoring the experiment and continues to develop creative solutions to the problem.



ENVIRONMENTAL SITE ASSESSMENTS

Because Bell serves a vast territory, it owns numerous properties used for administrative offices, vehicle maintenance garages, switching centres, warehouses, huts, etc. This real estate may be contaminated due to the activities of former owners, or to accidental spills or releases caused by Bell activities, such as the storage of petroleum products and treated wood utility poles.

To minimize the environmental impact on soil and groundwater, Bell conducts environmental site assessments prior to any real estate transaction (purchase, sale or lease) when contamination is discovered or at the end of an operational activity that may have contaminated a site.

The criteria for these assessments are based on provincial and federal regulations, and we undertake appropriate remediation based on the assessment findings.

Our property assessment program is driven by clear and measurable objectives:

- Establish and maintain an efficient due diligence process to minimize Bell's environmental and financial liabilities associated with soil and groundwater contamination caused by previous land users, and when leasing or selling a property, to prevent any future legal action associated with known contamination
- Take all the necessary measures to remediate or minimize the impacts to the natural environment in case of sudden or discovered contamination (e.g. spills, historic contamination).

PETROLEUM STORAGE TANKS

To heat its buildings, fuel its emergency generators and operate its vehicle fleet, Bell uses a variety of petroleum products. Stored in tanks that may be above or below ground, these include the following, among others:

- Fuel oil for heating buildings
- Diesel for emergency generators at switching centres and transmission towers
- Used oil collected from vehicles.

Bell is subject to federal, provincial and in some cases U.S. state regulations governing the installation, operation and removal of petroleum product tanks, given the environmental risks associated with tanks and other petroleum equipment, particularly during the use and storage of petroleum products. Bell's tank standards generally surpass regulatory requirements.

Of Bell's 2,600 petroleum storage tanks, 87% are above ground. We manage and monitor our petroleum storage tanks and equipment to maintain their integrity and prevent accidental spills. We perform annual inspections on every tank and conduct compliance audits as required by regulations. Our rigorous plan for managing our equipment also entails the following:

- Reducing the number of tanks and minimizing the installation of underground tanks, which are less secure and more difficult to inspect
- Replacing underground steel tanks with double-walled non-corrosive fibreglass tanks
- Replacing single-walled above-ground tanks (with a capacity above 4,000 litres and located outside buildings) with double-walled tanks
- Replacing hydraulic hoists with electric hoists
- Ensuring that the equipment inspection program is rigorously followed.

ENVIRONMENTAL INCIDENTS

At Bell, we take great care in managing environmental incidents and acting on the root causes of problems. We deploy considerable efforts to increase employee awareness and commitment to reporting incidents. Bell has developed rigorous measures to deal with environmental incidents. These specify the steps employees must follow and the responsibilities of the different parties involved to adequately respond to an emergency. We provide support for the reporting, control and remediation of all environmental incidents, regardless of the quantity spilled or the potential impact, or of whether the incident occurred on or away from our own premises.

In 2014, we had no material environmental incidents or infractions. We recorded a 7% decrease in the number of reported incidents, mainly because of 120 fewer halocarbon releases. This was partly offset by an increase in public complaints to 58, and 14 spills/discharges by the company. The increase in reported public complaints is a result of Bell reinforcing processes for the identification and reporting of environmental concerns with our customer service agents. Spills/discharges by the company involved various business units and types of equipment with no common root causes.

In summary:

- 468 spills and releases were reported by our employees, 81% of which were related to leaks of halocarbon from air conditioning systems
- 399 incidents (85% of the 468 reported) were below government reporting thresholds
- 2 administrative warnings from authorities
- 4 minor environmental impacts resulted in government warnings
- No environmental infractions resulted in fines
- 74 concerns were reported by third parties
- 1,792 litres of hydrocarbons were spilled from vehicles, storage tanks or generators
- 21 litres of corrosive liquids were spilled from network batteries
- 5,200 kg of halocarbons were released from our air conditioning systems.

These incidents had limited or no impact on the environment, and were addressed diligently and in compliance with all regulatory requirements.

We have clear objectives for the management of environmental incidents:

- Adopt a proactive approach to prevent environmental incidents
- Address the root causes of repetitive incidents to minimize recurrence
- Quickly remediate any situation that cannot be prevented
- Ensure appropriate emergency plans are in place and tested
- Ensure all environmental incidents are reported to Corporate Responsibility and Environment
- Diligently manage outside-party incidents that impact Bell's assets
- Report all environmental incidents to the appropriate authorities, as required, and to internal parties.

ENVIRONMENTAL TRAINING

To Bell, environmental protection is an integral part of doing business. This commitment begins with team member awareness and training, to foster the proactive management of our environmental impact. During the hiring and orientation process, all employees are required to sign a document stating they have read the Bell [Code of Business Conduct](#) and are aware of the corporate environment policy within the Code.

Furthermore, we communicate our corporate environmental objectives and performance to employees throughout the year, through the corporate newsletter, our dedicated website, and such events as Earth Hour, Earth Day and Canadian Waste Reduction Week.

In addition, environmental impact awareness is raised by means of an online training tool created, updated and managed by the Corporate Responsibility and Environment team. This training covers the regulatory

requirements, best practices and environmental procedures Bell employees must follow. Bell invested more than \$1.2 million in this training in 2014, and almost 11,000 team members have taken the course.

Employees whose tasks are likely to have an impact on the environment must complete the training every year.

	TREND	2014	2013
Total number of employees trained:	↑	10,873	9,252
Money spent, estimate (\$K):	↑	1,200	1,041
Time spent, estimate (hours of training):	↑	27,913	18,551

SUSTAINABLE EVENTS

Every year, Bell supports large-scale events across Canada that are likely to have an environmental impact. For instance, Bell kiosks and promotional materials require raw materials and consume energy. In 2014, the Sponsorship Team for national events in Québec began exploring ways to mitigate the impact. Accordingly, we made sure the Bell Pavilion was made with recycled containers and designed with LED lights, to reduce its overall energy consumption. Among other initiatives, we use native species for ornamental vegetation to reduce the need for watering, and pale roofs to reduce the urban heat island effect by providing reflective surfaces.

In 2015, we will introduce a tool to determine whether the events sponsored by Bell reach the minimum threshold of sustainability, as defined by the Corporate Responsibility and Environment team. The team will only support events that score above this threshold, as well as continue to look for ways to further reduce Bell's ecological impact.

A sustainable events guideline is available to employees hosting internal events in Bell buildings, on the corporate intranet. The guide covers such topics as food and drink, transportation, products, equipment and location.



The Bell Pavilion, which we use during major festivals, is made with recycled containers and designed with LED lights to reduce its overall energy consumption.

ASTRAL OUT-OF-HOME

Astral Out-of-Home has implemented numerous environmentally friendly design, installation and maintenance features for street furniture in Toronto, with transit shelters being a prime example of reduced energy consumption, materials use and waste. Overall, 31% of Astral Out-of-Home transit shelters are made from recycled materials. Moreover, materials are sourced sustainably and locally wherever possible. The shelters have LED security lighting, which consumes up to 75% less energy. Advertising lighting uses high-efficiency ballasts, which save 139,181 kWh every month compared with traditional lighting. Since the initiative was introduced in 2007, 1.7M kWh have been saved—enough to power more than 180 typical households for a year. Additionally, photocell systems that shut off shelter lighting when there is sufficient daylight generate an estimated 50% savings in energy consumption. Finally, 35% of Astral's transit shelters in Toronto are equipped with photovoltaic panels, which have enabled us to reduce GHG emissions by 112 tonnes of CO₂ equivalent since 2007.



One of many Astral Out-of-Home transit shelters, which contain significant amounts of recycled content. Typically, a shelter is 36% aluminum.



Economy

We have been connecting Canadians for 135 years.

\$20B
in investments
through 2020
to propel Canada's
digital economy

Total shareholder
return of
194%
since the end
of 2008

OUR CONTRIBUTION TO THE ECONOMY

Helping the economy grow

For 135 years now, and since Canada's telecommunications industry was founded, Bell has been connecting Canadians with each other, and with the information they need to enrich their lives and pursue their aspirations. We are—and are committed to remaining—one of the country's leading companies in terms of generating wealth and contributing to the strength of the economy as a whole.

As Canada's largest communications company, with more than 21 million customer connections, Bell provides consumers and business customers with wireless, TV, Internet, home phone and business communications services, as well as leading assets in television, radio and digital media. Bell has played an important role in the growth of Canadian communities and companies, and of the country as a whole, producing a wide range of innovations that have shaped Canada's communications industry. These innovations include many Canadian, North American and world firsts, in telephony, long distance, mobility, microwave networks, wireless paging, commercial fax services, and so on.

Bell was the first company in North America to invest in digital switching—the foundation of today's digital age—and continues to develop market innovations stemming from those investments made more than 35 years ago: Canada's first personal video recorder (PVR), wireless TV receiver, mobile TV service, whole-home PVR, and fourth-generation (4G) wireless network, not to mention the largest-ever deployment of broadband fibre optics to connect homes and businesses in an entire metropolitan area (Québec City).

FINANCIAL INFORMATION

(\$ MILLIONS)	2014	2013
Revenues	21,042	20,400
Operating costs	12,739	12,311
Wages, salaries, and related taxes and benefits	4,351	4,232
Payments to providers of capital (dividends to BCE common shareholders and interest payments)	2,800	2,674
Income taxes and other taxes paid	743	470
Capital expenditures	3,717	3,571

Bell spends over \$3.5 billion annually in capital investment (including Bell Aliant), which is more than any other company in Canada, with the exception of major energy companies in Western Canada. Most of that spending goes to extending and improving the performance of our broadband fibre and state-of-the-art wireless networks, which are the foundation for the services customers want and need, from IPTV and high-speed Internet to mobile data. For example, we are leveraging our mobile 4G 700 MHz network, which we launched in 2014 after obtaining the requisite spectrum, to reach more customers, especially in rural and northern regions, and to provide all our wireless customers with better in-building connections.

This drive to innovate and invest ensures that Canadians have the best possible communications products and services, not only as individuals but also as drivers of economic progress. Of the top 100 companies in Canada, 99 run their businesses using Bell products and services. Bell's ongoing success and growth have a significant multiplier effect, directly sustaining more than 57,000 high-value jobs within the BCE group of companies and thus injecting about \$4.4 billion into the economy in wages and benefits each year. It also generates a significant return on investment for BCE shareholders, producing a total shareholder return of 194% since the end of 2008. Bell is an essential contributor to enhancing the productivity and competitiveness of most Canadian businesses as they pursue their own priorities in the global economy.

Bell is proud to partner with some of Canada's premier entertainment events, and generate indirect economic and social benefits for communities and individuals. For example, with the Toronto International Film Festival, we support TIFF Learning, which provides students and teachers with innovative ways to engage with the cinematic arts beyond simply taking a class trip to the movies. The TIFF Bell Lightbox is the only facility of its kind in Canada, offering unique programs that are closely tied to the Ontario educational curriculum and designed for cross-course flexibility. Similarly, the Festival International de Jazz de Montréal not

only brings the community together to enjoy music but also generates economic spinoffs of close to \$100 million, largely as a result of spending by tourists attending the largest musical event in the world. This includes roughly \$20 million in annual tax revenue for both the federal and provincial governments.

Bell also partners with the Festival d'été de Québec, a non-profit event that runs for 11 days, with music for everyone at 10 venues throughout Québec City. The event generates more than \$25 million in added value for the city.

CREATING FINANCIAL INDEPENDENCE

Bell's sustainable success as a commercial enterprise enables us to employ to more than 57,000 Canadians. In addition, our benefits package ensures team members have every opportunity to build a secure financial plan.

Thanks to our careful stewardship of both our defined-benefit and defined-contribution our pension plans, our employees can expect financial security in retirement. In fact, Bell has accumulated more than \$19 billion in the various pension plans offered to employees and retirees, adding another \$350 million in cash to the defined-benefit plan in 2014 to ensure its ongoing solidity. Through other employee savings plans, we have accumulated an additional \$1.2 billion, further contributing to the financial security of our employees and retirees.

Our clear, strong business model reflects a prudent capital markets strategy, a strong balance sheet and investment-grade credit ratings. Our capital structure and strong liquidity position provide us with a solid financial foundation and a high level of overall financial flexibility. Moreover, we are well-positioned, with an attractive long-term debt maturity profile and manageable near-term requirements to repay debt.

BRIDGING THE DIGITAL DIVIDE IN CANADA

Bell is a leading contributor to the ongoing industry effort to bridge the digital deficit felt by Canadians who do not have access to all the benefits of personal and commercial digital communications. We invest more than \$3.5 billion a year to extend our broadband fibre networks to more communities, providing residents with the fastest access to all that the Internet has to offer. In 2015, we plan to expand our high-speed fibre networks to 7.9 million customer locations.

We have also made a \$40 million investment to extend our broadband fibre network to support IPTV and Internet service in Kingston, Ontario by mid-2015. This will not only create jobs in the area but also have a positive impact on the regional supply chain, including hotels, restaurants and fibre companies. Because our investment will provide Kingston with a state-of-the-art network infrastructure, it will also be a selling point for the city to attract businesses looking to expand or relocate to Kingston.

As a matter of course, we continue to rigorously monitor the capital markets for opportunities where we can further reduce our cost of debt and our cost of capital. Plus, we proactively manage financial risk in terms of exposure to fluctuations in currency, especially regarding our U.S. dollar-denominated purchases, equity-based incentive plans and interest rates.

Through such careful fiscal management—and our ongoing operational and marketplace success—we have sustained Bell's long and stable history as one of the most widely held stocks in the country, offering both excellent dividends and ongoing growth. In fact, since 2008, we have increased the dividend on our common shares 11 times, which represents overall dividend growth of 78%. Last year alone, total shareholder return grew 21.7%, ahead of industry peers here and in the U.S., and better than the S&P/TSX Composite Index. Since the end of 2008, total shareholder return has grown 194%.

We have also invested heavily in extending the reach of our world-leading 4G LTE mobile networks, quickly and aggressively deploying new blocks of spectrum we obtained in the past 15 months at two federal auctions, to deliver service to rural and more remote areas of our vast country.

In that same spirit, Northwestel, Bell's wireline subsidiary serving northern Canada, continues to be a leader in delivering advanced communications solutions to its sparsely populated territory, where

just 121,000 people are spread out over 4 million square kilometres, with more than two thirds of the population living in communities of fewer than 500 residents.

Northwestel is executing a 5-year modernization plan to deploy new technologies alongside established networks, and provide northerners with more reliability and choice in communications and entertainment. In some cases, we are connecting communities that have never been connected before, helping them grow and prosper. To that end, Northwestel has invested \$88.7 million since 2013.

In 2014, some of that investment went to new technologies for our Internet, cable, landline and mobile customers in 22 communities. Remote communities benefitted from improved service quality, the fastest Internet speeds to date, better ability to talk, browse and download with 4G wireless upgrades, and an improved user experience with enhanced

calling features. Our 2014 initiatives also included the ongoing expansion of our 100 Mbps service in Whitehorse, Yellowknife and Fort Nelson, as well as the introduction of PulseTV, a new digital video service.

Last year, we doubled the bandwidth capacity to Mackenzie Delta communities, and we are currently working with the government of the Northwest Territories to deliver a fibre link that will improve the delivery of health, education and social services to remote communities in the Mackenzie region, as well as to link the satellite receiving stations in Inuvik to southern Canadian networks.

As a result of our investments, northern Canadians receive telecommunications services that are comparable with, and in some cases superior to, those available in the southern parts of Canada, enabling our business customers to be more competitive and innovative.

RESEARCH AND DEVELOPMENT

Bell consistently ranks among the top Canadian companies for research and development, spending over half a billion dollars a year. In 2014,¹ BCE ranked fourth among Canada's Top 100 corporate spenders on research and development, based on the R&D spending by all companies in 2013, a year during which BCE spent \$575 million on R&D. See researchinfosource.com.

We also lead the Canadian communications industry in capital investment, spending more than \$3.5 billion a year to build the most extensive and highest-quality next-generation wireless and wireline networks.

Our massive investments contribute to Canada's largest 4G LTE wireless network, currently available to 91% of residents, with planned coverage for 98% of the national population by the end of 2015, as well as Bell's 4G HSPA+ network covering more than 98% of the population. These strategic investments enable us to not only sustain growth within Bell by delivering the services that customers want and need but also support the growth and productivity of the economy in this digital age. In addition, Bell Mobility development work in the wireless space, focusing on the reorganization of frequency bands, has enabled us to derive additional value for our customers from our existing investment in spectrum.

In 2014, Bell continued to support and develop new features for our IPTV service. Coverage for the service continues to expand and, with Bell Aliant, we now reach more than 6 million customer locations, up from

5 million in 2013. The team also developed an exclusive Restart feature, which allows customers to watch a TV program already in progress from the beginning if they join in late.

Research work in our core network also focuses on a complete transformation of our voice network and the evolution to a new technology paradigm, to better prepare us for the future. In 2014, we deployed our first Smart CO (central office), which enables us to run applications on a general-purpose, shared computing platform instead of dedicated hardware.

Research and development expense is the amount of money Bell spends to develop new products and services each year. Such investments allow Bell to continue to provide its customers with the latest products and services, comparable with any in the world. They also help fuel a positive cycle of innovation and growth, not only within Bell but also with our partners and suppliers. Finally, they create a substantial pool of high-value career opportunities for home-grown professionals, scientists and engineers.

¹ Research and development investment numbers are reported annually in late summer. This figure always lags one year behind the rest of the data.



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