

Responsible procurement and supplier partnerships

GRI 308-1, 308-2, 412-1, 412-3, 414-1

SDG 8, 12

At Bell we hold suppliers to the same high standards of business as we hold ourselves. Through the risk management of suppliers and responsible procurement of products and services, we aim to mitigate the inherent risk from our suppliers, and form mutually beneficial and ethical relationships with those who act responsibly, respect the environment and demonstrate integrity in the marketplace.

A case study on The Source (subsidiary)

The Source (TSO) manufactures private brand products through suppliers located mostly in Asia. This high-responsibility risk process must undergo rigorous on-site social audits through a third party. Social audits carried out annually by Bureau Veritas analyze compliance with all applicable laws, rules and regulations, including those related to licensing, labour, wages, worker health and safety and the environment.

The Source's commitment is to procure goods and services only from suppliers that achieve internationally recognized standards and practices in dealing with their workers and their working environment. Although The Source has suppliers from many different countries and cultures, it expects all these suppliers to demonstrate compliance with the **TSO Factory Certification program** and establish an effective control system to ensure that they conduct business in a socially responsible manner.

Any factory that manufactures The Source private brand products must undergo a Social Accountability (SA) audit and be certified. This is intended to ensure that factories have strong quality systems in place and are in compliance with applicable laws and social expectations. The scope for SA audits includes assessments on child labour, forced or indentured labour, working hours, wages and benefits, non-discrimination and the working environment, as published in the TSO Supplier code of conduct. Any critical violations of the aforementioned evident in any SA factory audit will result in The Source's immediate termination of the factory.

Supplier partnerships

Suppliers directly feed our ability to succeed, a critical fact considering the growing constraints on global provisioning. Engaging actively with suppliers to identify opportunities and address risks is key to fostering a sustainable value chain. We work with various key suppliers in order to align with our values and we challenge them to collaborate on innovative projects to drive improvements.

In 2022, 26% of our suppliers by spend had set science-based targets (SBTs) for reducing their greenhouse emissions. Through our supplier engagement strategy, Bell engaged over 200 of its top suppliers in 2022, in an effort to reduce its indirect emissions (scope 3). We will continue to engage our suppliers in this initiative with a goal of reaching 64% of our suppliers by spend having set SBTs by 2026.

Bell works with suppliers to participate in innovative solutions that seek to minimize the environmental impact of our business operations. This means we work with suppliers to redirect, reuse, repurpose and recycle material from our waste streams wherever possible. We also support organizations that are focused on protecting the environment. For example, Bell works with its utility pole supplier to establish a process for repurposing end-of-life poles. Depending on the condition of the pole, it can be remanufactured into valuable products, including structural beams and guardrails, or alternately, the used poles can be crushed to make wood chips.

Investing locally is also important to create growth and innovation in Canada. In its vision to be recognized by customers as having the best TV experience, with personalized content, on any screen, at any time, Bell delivered in partnership with Canadian based vendor and partner, Mirego, the new Bell Fibe TV, a cutting-edge technological TV experience. Developing technology internally in Bell in partnership with local vendors creates major high-tech opportunities for Canadian talents and healthy financial growth for our partners like Mirego.

Suppliers are key enablers of our efforts to create value. As such, suppliers are dealt with transparently and respectfully.

Responsible procurement of tangible products and services

GRI 308-1

In addition to Bell's approach to the responsible business and risk management of its suppliers, Bell also addresses specific products through its expanding sustainable criteria program.

Sustainable criteria for tangible products

Since 2011, Bell has implemented strong environmental and procurement policies in contracts, such that all suppliers with whom we conduct business are bound to standards consistent with Bell's Supplier Code of Conduct and sustainable criteria for targeted tangible goods and services contracts.

Our sustainable criteria for customer facing products encompasses mobile phones and accessories, batteries, chargers, SIM cards, street furniture, modems and TV receivers, paper and packaging and single-use plastic products, and also extends to internal products including laptops and cleaning supplies.

For more information on Bell's Responsible Procurement practices for products and services, please refer to our [Circular economy](#) information sheet.

Conflict minerals

GRI 412-3

Many electronic devices contain a small amount of metals such as tantalum, tin, tungsten and gold. These are sourced from minerals recognized under U.S. laws as conflict minerals, because in certain cases, these metals are mined in exploitative circumstances. Bell shares the concerns of many companies in the electronics and telecommunications industries, specifically, that the use of conflict minerals may directly or indirectly finance or benefit armed groups in the Democratic Republic of the Congo (DRC) or neighbouring countries.

We consider the exploitation and trade of conflict minerals that fuel armed conflicts and lead to the abuse of human rights as unacceptable. Our policy and practices are aligned with the aim of ensuring that appropriate actions are taken so that our suppliers source conflict minerals responsibly. At Bell, suppliers who provide us with tangible products that contain or may contain tin, tungsten, tantalum or gold, are flagged as high risk in our Vendor Risk Management program. By identifying these suppliers, we can strive to ensure that measures are in place to facilitate the suppliers' commitment to demonstrating that they have appropriate due diligence controls over Conflict Minerals in their supply chain and that their products are "DRC Conflict Free."

In 2011, we requested that our major suppliers of electronics equipment implement processes and control mechanisms to avoid the use of minerals that may directly, or indirectly, finance or benefit armed groups in the DRC or neighbouring countries.

Supplier selection and accountability

GRI 308-1, GRI 308-2

Bell Canada (all subsidiaries)

To ensure we are working with suppliers who hold a high regard for environmental, social and governance best practices, Bell's corporate standard requires that all suppliers must adopt Bell's Supplier code of conduct ("Code"), as well as applicable annexes and environmental clauses. The Code helps minimize risks to our operations and reputation in the following areas: business continuity, information security, privacy, health and safety, environment, corporate responsibility and financial stability.

Prior to entering into a contract with our suppliers, we conduct a risk analysis on the supplier through our Vendor Risk Management program. In addition to our internal assessments, Bell may request that the supplier complete a self-assessment questionnaire. The purpose of Bell's risk-based assessment is to determine the level of risk associated with a supplier and the product or service being rendered. Suppliers are assessed on international, national and regional legislation, standards and guidelines. Bell also assesses its suppliers on their handling of sensitive information, the suppliers' occupational health and safety policies, environmental standards, and their emergency preparedness plans and procedures. In addition, Bell requires that its suppliers comply with all applicable statutes, regulations, guidelines, codes of practice, orders and agreements with government authorities relating to the protection and conservation of the environment. These include, but are not limited to, hazardous substances, air emissions, water management, energy consumption and greenhouse gas emissions.

In 2022, Bell conducted over 780 supplier assessments. All of these suppliers were assessed for environmental risk, and more than 140 suppliers were identified as having actual or potential environmental risks. To mitigate the environmental risk of these suppliers, Bell's Supplier Code of Conduct and applicable environmental clauses were added to their respective contracts.

Bell's Supplier Code of Conduct

All new Bell contracts bind suppliers to standards consistent with Bell's Supplier Code of Conduct, with the expectation that the supplier will take all reasonable measures to respect the requirements of the Code through its own operations and within its own supply chain. Bell's Supplier Code of Conduct was updated in 2020 to reflect the most recent best practices, and outlines standards that seek to ensure that working conditions in our supply chain are safe, that workers are treated with respect and dignity and that design and manufacturing processes are environmentally and ethically responsible. Bell is committed to responsible sourcing, and we consider all activities in our supply chain that fuel conflicts and that lead to human rights abuse as unacceptable.

We have also updated the Labour and Human Rights section of our Supplier Code of Conduct to reflect the latest International Conventions, including: Freely chosen employment, Young workers, Working hours, Wage and benefits, Human treatment and non-discrimination and Freedom of association and collective bargaining.

If a supplier, or a third party designated by Bell is found to be in default under the Supplier Code of Conduct, Bell may conduct onsite audits of selected supplier facilities that provide products or services to Bell. Onsite audits may include a review of relevant supplier records, policies and work practices, as well as an inspection of the facilities for compliance with the Code. In the case of an observed non-compliance with the Code, the supplier will take all reasonable measures to meet the standards exposed in the Code in a diligent manner.

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