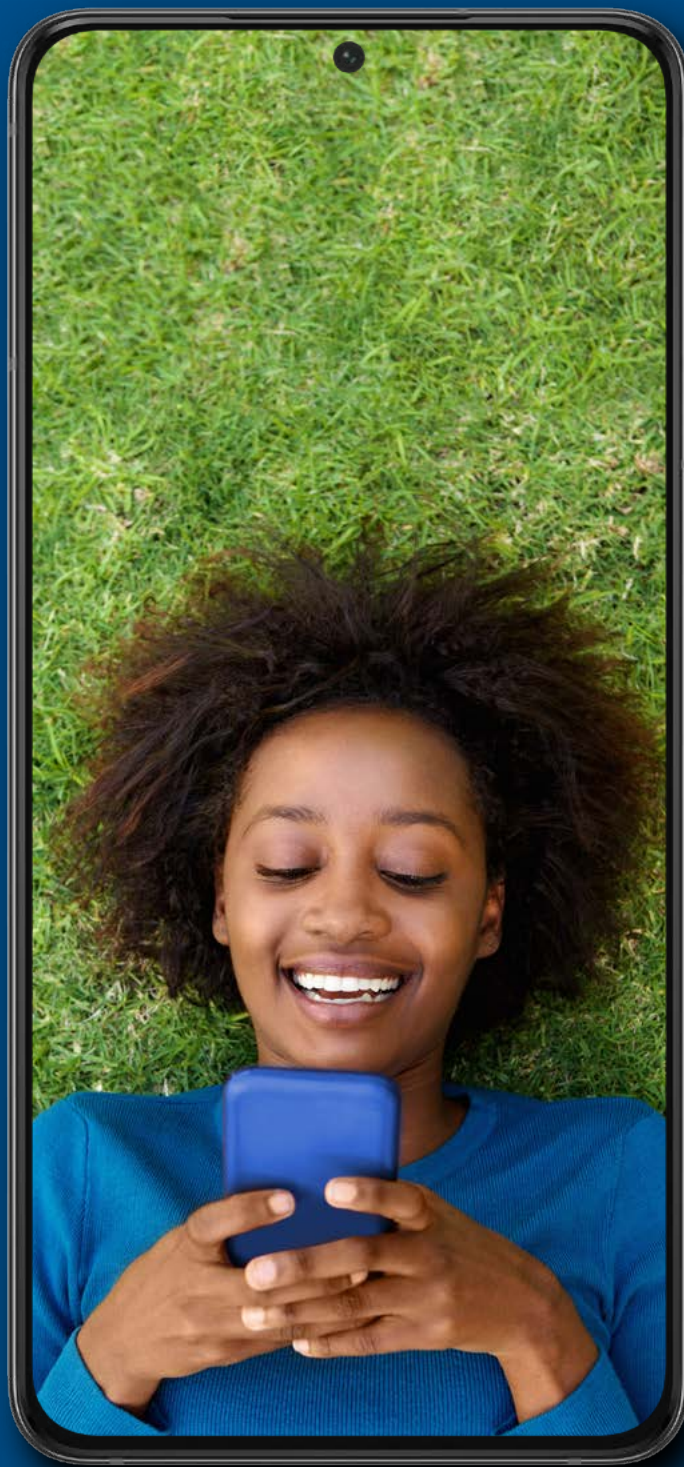


BCE Inc. Sustainable Financing Framework

April 2021



BCE

Background

BCE Inc., through its wholly-owned subsidiary Bell Canada, is the leading communications company in Canada, delivering more than 22 million consumer and business customer connections to some of the most advanced wireline and wireless services in the world. At the forefront of Canadian communications since 1880, we have a clear goal: Advance how Canadians connect with each other and the world.

We are committed to building the best networks to service Canadian consumers, businesses and governments, while adhering to clear policies and guidelines that define, measure and build on our actions as a leading corporate citizen in Canada's critically important communications industry. This involves investing significant amounts in Canada's communications infrastructure and new network builds, and delivering fast broadband speeds to more consumers and businesses in more communities than ever.

Environmental, social and governance (ESG) practices form an integral part of BCE's (as defined below) corporate responsibility. We take very seriously our responsibility to manage the company in ways that enable us to sustainably operate as we serve the personal and business communications needs of millions of customers, seek to create value for shareholders, provide meaningful careers for tens of thousands of our team members, and make a significant contribution to the broader Canadian community and economy.

The BCE Inc. board of directors has established clear lines of authority and oversight over our corporate responsibility programs and our approach to ESG practices, with primary accountability at the board committee level. The Health & Safety, Security, Environment and Compliance Oversight Committee (HSSEC Committee), with a significant number of BCE's most senior leaders, is mandated by the board of directors to oversee BCE's corporate responsibility strategy. The HSSEC Committee in turn mandates two working groups composed of business unit employees at the vice-president and director levels to operationalize that strategy. Our Energy Board monitors our overall energy consumption and costs, with the objective of minimizing financial and reputational risks while maximizing business opportunities. Our Corporate Responsibility Board oversees our ESG practices to seek to ensure alignment across businesses and business units and to strengthen our ESG performance.

Environmental protection is an integral and longstanding element of our business that we manage diligently as we seek to meet or exceed environmental legislation and promote continuous improvements that our customers, team members and shareholders expect. We have been named as one of Canada's Greenest Employers for five consecutive years, and our Energy Management System was audited for ISO 50001 certification, making Bell Canada the first communications company in North America to achieve this standard. Moreover, we recently announced the objective to become carbon neutral for our operational emissions starting in 2025.

On the social front, we continue to address the unique challenges faced by rural and remote communities, where difficult terrain, remote location, and low population density have resulted in a lack of access to high-speed broadband networks. Mental health leadership is a cornerstone of our Strategic Imperative to engage and invest in our people and the Bell Let's Talk mental health initiative continues to bring meaningful change to the lives of countless Canadians in hundreds of communities across the country. Reflecting the communities we serve, we highly value diversity and inclusion in our workforce while supporting a safe and healthy workplace where team members feel valued and respected.

Bell Canada is one of the largest non-bank issuers of public debt securities in Canada. Through our Sustainable Financing Framework, we intend to highlight the magnitude and impact of our ESG investments and, by participating in the ESG finance market, hope to contribute positively to the growth and development of ESG investing as a catalyst for continued focus on corporate responsibility in Canada.

Framework overview

This Sustainable Financing Framework (the Framework) aims to facilitate alignment of the business and financing activities of BCE Inc. and its subsidiaries (collectively referred to herein as BCE, we, us or our) to support and drive a more sustainable future.

The Framework will guide future issuances of green, social, and sustainability bonds and other sustainable financings by Bell Canada for which the use of proceeds is intended for a portfolio of Eligible Investments, defined, selected, tracked and reported on in accordance with this Framework (each a Bell Sustainable Financing).




This Framework addresses the four core components and the recommendations on the use of external reviews and impact reporting of the International Capital Markets Association (ICMA) Green Bond Principles¹, Social Bond Principles², and Sustainability Bond Guidelines³, and the Loan Market Association (LMA) and Loan Syndications and Trading Association (LSTA) Green Loan Principles⁴:

- I. Use of proceeds
- II. Project selection and evaluation process
- III. Management of proceeds
- IV. Reporting

I. Use of proceeds

An amount equal to the net proceeds of each Bell Sustainable Financing will be used to finance or re-finance, in part or in full, new and/or existing green and/or social investments and expenditures made by us that meet the Eligibility Criteria defined below (Eligible Investments). “Green Financings” are securities/loans where the proceeds are allocated to green investments, “Social Financings” are securities/loans where the proceeds are allocated to social investments, and “Sustainability Financings” are securities/loans where the proceeds are allocated to both green and social investments. Each Eligibility Criteria is intended to align with UN Sustainable Development Goals (SDGs).

ELIGIBILITY CRITERIA FOR GREEN CATEGORIES








| ELIGIBLE GREEN CATEGORIES | ELIGIBILITY CRITERIA | SDG TARGETS ALIGNMENT |
|---------------------------|---|--|
| Energy efficiency | <ul style="list-style-type: none"> • Investments that reduce energy consumption in BCE’s operations consistent with our public GHG emissions reduction objectives, such as: <ol style="list-style-type: none"> 1) Modernization, replacement and upgrade of network equipment and technology, for example: <ul style="list-style-type: none"> • Deployment of Fibre-to-the-Premise (FTTP) to connect customers via passive optical fibre and enable the transition away from energy-intensive copper-based networks • Deployment of network infrastructure to enable and extend 5G wireless connectivity • Consolidation, optimization and virtualization of servers • Retirement or modernization of legacy voice, data and power equipment • Implementation of energy saving software features 2) Deployment of energy efficient heating, ventilation, air conditioning, refrigeration, lighting and electrical equipment in buildings that result in at least 15% improvement in energy efficiency on a per project basis 3) Deployment of telematics to reduce fuel consumption in BCE’s fleet and expenditures related to eco-driving and anti-idling campaigns |  7.3  9.4  12.6 |

1 International Capital Markets Association, “The Green Bond Principles (GBP) 2018”, published on June 14, 2018. <https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>

2 International Capital Markets Association, “The Social Bond Principles (GBP) 2020”, published on June 9, 2020. <https://www.icmagroup.org/green-social-and-sustainability-bonds/social-bond-principles-sbp/>

3 International Capital Markets Association, “The Sustainability Bond Guidelines (SBG) 2018”, published on June 14, 2018. <https://www.icmagroup.org/green-social-and-sustainability-bonds/sustainability-bond-guidelines-sbg/>

4 Loan Syndications & Trading Association and Loan Market Association, “Green Loan Principles”, published in May 2020. <https://www.lsta.org/content/green-loan-principles/>

| ELIGIBLE GREEN CATEGORIES | ELIGIBILITY CRITERIA | SDG TARGETS ALIGNMENT |
|--|---|--|
| Eco-efficient production technologies and processes | <ul style="list-style-type: none"> Investments and expenditures to research, develop, manufacture and install products and services that reduce energy consumption, enable carbon abatement⁵ and more efficient operations for BCE's customers and network users, such as: <ol style="list-style-type: none"> Deployment of 5G wireless technologies and other high-speed wireless and fibre networks that enable real-time response to energy demand, for example: <ul style="list-style-type: none"> Smart grids; Smart buildings; and Smart city systems Deployment of AI (Artificial intelligence) and IoT (Internet of Things) applications to optimize asset tracking, fleet management, smart sensors, Smart City applications, agri-food and infrastructure management. Virtualization and cloud computing deployment to encourage optimal use of space, power, and cooling resources by consolidating servers and data storage |  9.4  9.5  11.6  12.6 |
| Pollution prevention and control | <ul style="list-style-type: none"> Investments and R&D expenditures in landfill waste diversion and recovery of residual materials from BCE's administrative, field, fleet and network operations Expenditures related to customer electronic waste recovery and recycling programs |  9.5  11.6 |
| Clean transportation | <ul style="list-style-type: none"> Investments for construction, development, acquisition, maintenance, and operation of zero direct emissions vehicles and associated charging infrastructure |  12.6 |
| Renewable energy | <ul style="list-style-type: none"> Investments in construction, development, acquisition, maintenance, and operation of facilities and equipment primarily dedicated to wind and solar energy generation operating at life cycle emissions lower than 100gCO_{2e}/kWh |  9.4  12.6 |
| Green buildings | <ul style="list-style-type: none"> Investments in design, construction, acquisition and retrofits of commercial and industrial certified green buildings Expenditures for leasing, on a capitalized basis, certified green buildings <p>Certified green buildings have received or expect to receive, based on design, construction and operational plans, a third-party verified green building certification, such as:</p> <ol style="list-style-type: none"> LEED Gold or higher; BOMA BEST Gold or higher; or other equivalent third-party verified green building certification |  9.4  12.6  11.6 |
| Climate adaptation | <ul style="list-style-type: none"> Investments in improving resilience of network infrastructure to climate change | |

⁵ BCE has developed a methodology to estimate the carbon abatement enabled for our customers by our products in collaboration with Groupe AGÉCO. More information about our estimated carbon abatement is included in our annual corporate responsibility reports.

ELIGIBILITY CRITERIA FOR SOCIAL CATEGORIES

| ELIGIBLE SOCIAL CATEGORIES | ELIGIBILITY CRITERIA | SDG TARGETS ALIGNMENT |
|---|---|---|
| Affordable basic infrastructure | <ul style="list-style-type: none"> • Investments in construction, development, acquisition, maintenance, and operation of infrastructure, systems and equipment to enhance digital connectivity for underserved or unconnected areas and populations, such as: <ol style="list-style-type: none"> 1) Deployment of Fibre-to-the-Premise (FTTP), 5G-enabled or Wireless-to-the-Premise (WTTT) connectivity for communities lacking adequate access to high-speed broadband networks⁶ due to difficult terrain, remote location, and low population density 2) Deployment of FTTP for affordable broadband service provision in low income housing 3) Equipment and programs for schools and students in low-income communities to enable digital learning and Internet connectivity for students 4) Deployment of adaptive products and services for customers with mobility, cognitive, hearing, vision, and speech disabilities |  <p>9.C</p> |
| Access to essential services | <ul style="list-style-type: none"> • Investments and expenditures to build awareness and enhance access to mental healthcare such as: <ol style="list-style-type: none"> 1) Infrastructure, marketing and programming for Bell Let's Talk mental health awareness and anti-stigma campaigns 2) Expenditures to develop and deliver programs to improve mental health awareness, training and benefits in the workplace and the community 3) Funding of research and related infrastructure dedicated to support and cures for mental illness 4) Funding of community care and access programs through: <ul style="list-style-type: none"> • Provision of free and in-kind services such as crisis and distress call centres • Operation of the Bell Let's Talk Community Fund and Bell Let's Talk Diversity Fund • Collaborative partnerships to drive positive change and access |  <p>3.4</p> |
| Emergency response and pandemic relief | <ul style="list-style-type: none"> • Investments and expenditures to enhance network capacity and deploy high-speed Internet access for enabling access to essential services such as government operations, healthcare, financing and financial services, and education • Expenditures to enhance affordability of digital connectivity products and services such as waivers for residential Internet overage fees and international roaming charges • Investments and expenditures related to enhanced health and safety measures for employees and customers to ensure continuation of Bell's service provisioning <p>Eligible investments and expenditures will seek to alleviate the impacts of specific crises and will be identified based on the date of the declaration of an emergency or pandemic.</p> |  <p>GOAL 4</p> |

⁶ The Canadian Government has set a goal " ... for all Canadians to have access to high-speed Internet of at least 50 Megabits per second download and 10 megabits per second upload speeds." See the answer to "Q2. When we talk about high-speed Internet, what do we mean?" at https://www.ic.gc.ca/eic/site/139.nsf/eng/h_000006.html. These targets match those set by the CRTC as its Universal Service Objective set in CRTC Telecom Regulatory Policies CRTC 2016-496 (<https://crtc.gc.ca/eng/archive/2016/2016-496.htm>) and 2018-377 (<https://crtc.gc.ca/eng/archive/2018/2018-377.htm>).

II. Project selection and evaluation process

Bell Canada has established a Sustainable Finance Working Group comprising members from the Treasury, Finance, Corporate Responsibility and Network teams, which will be responsible for the ultimate review and selection of investments that will qualify as Eligible Investments.

The Sustainable Finance Working Group will align its selection and evaluation analysis with this Framework and our ESG objectives detailed in BCE Inc.'s annual corporate responsibility report. Our sustainability principles and policies enshrine certain environmental and social requirements and adherence to applicable regional and national environmental and social regulation for all our activities, including those financed with the proceeds of each Bell Sustainable Financing.

III. Management of proceeds

An amount equal to the net proceeds from each Bell Sustainable Financing will be allocated to the financing or refinancing of existing and future Eligible Investments. Such allocation will be reflected in Bell Canada's internal records. The proceeds of each Bell Sustainable Financing will be deposited in Bell Canada's general funding accounts. Pending allocation to Eligible Investments, proceeds will be managed in accordance with Bell Canada's normal liquidity management practices including repayment of existing indebtedness.

Eligible Investments may include investments made by us up to 36 months prior to a Bell Sustainable Financing.

Bell Canada intends to allocate the net proceeds from each Bell Sustainable Financing to Eligible Investments within 36 months from the date of the Bell Sustainable Financing. In the case of divestment or if an investment no longer meets the Eligibility Criteria listed above, we intend to reallocate the funds to other Eligible Investments.

Payment of principal of and interest on a Bell Sustainable Financing will be made from Bell Canada's general funds and will not be linked to the performance of any Eligible Investments.

IV. Reporting

Within one year of each Bell Sustainable Financing, we will publish a Bell Sustainable Financing Report in the Bonds section of the [BCE.ca](https://www.bce.ca) website. This report will be updated every year until complete allocation, and thereafter, as necessary in the event of material developments. The report will include a summary of Bell Sustainable Financings, including issuance date, size, maturity date, currency, and format.

The report will also contain at least the following information:

- the amount of proceeds allocated to each Eligible Category
- for each Eligible Category, at least one example of green or social investments financed by the proceeds
- the remaining balance of unallocated proceeds (if any)
- impact metrics, where feasible

IMPACT REPORTING

Where feasible, the Bell Sustainable Financing Report will include qualitative and/or quantitative environmental and social performance indicators. Performance indicators may change from year to year and may include one or more of the following:

POTENTIAL IMPACT METRICS FOR GREEN INVESTMENTS

| ELIGIBLE CATEGORY PER ICMA GREEN BOND PRINCIPLES | POTENTIAL IMPACT METRICS FOR GREEN INVESTMENTS |
|--|--|
| Energy efficiency | <ul style="list-style-type: none">• Energy savings (GWh)• Annual reduction in electricity and fuel consumption (%)• GHG emissions reductions from energy savings or electricity use reduction (tonnes of CO₂e)• Ratio of GHG emissions to network usage (tonnes of CO₂e per petabyte) |
| Eco-efficient production technologies and processes | <ul style="list-style-type: none">• GHG emissions abated through products and services (tonnes of CO₂e) |
| Pollution prevention and control | <ul style="list-style-type: none">• Waste diverted from landfill (tonnes or %)• Number of fuel tanks replaced or connected to a leak detection alarm |
| Clean transportation | <ul style="list-style-type: none">• Size of electric fleet and number of charging stations |
| Renewable energy | <ul style="list-style-type: none">• Renewable energy generated (GWh)• Installed generation capacity (MW)• Electricity consumption from renewable sources (GWh and percentage of total consumption) |
| Green buildings | <ul style="list-style-type: none">• Number and area of green certified buildings, by certification type and level |
| Climate adaptation | <ul style="list-style-type: none">• Reduction in weather-related damage costs• Reduction in weather-related network disruption (number of customers impacted) |

POTENTIAL IMPACT METRICS FOR SOCIAL INVESTMENTS

ELIGIBLE CATEGORY PER ICMA SOCIAL BOND PRINCIPLES

POTENTIAL IMPACT METRICS FOR SOCIAL INVESTMENTS

Affordable Basic Infrastructure

- Number of mobile and Internet data users
- Number of homes passed and homes connected
- Number of people benefitting from enhanced digital connectivity

Access to Essential Services

- Number of crisis and distress line users supported
- Number of trained staff and volunteers
- Improvement in attitudes about mental illness (consumer survey-based impact metrics)

Emergency Response and Pandemic Relief

- Number of people benefitting from fee waivers
 - Number of homes passed and homes connected
 - Number of people benefitting from enhanced digital connectivity
-

External review

BCE Inc. has obtained an independent Second Party Opinion on its Sustainable Financing Framework, which will be published in the Bonds section of the [BCE.ca](https://www.bce.ca) website prior to the first Bell Sustainable Financing.

Prior to the first anniversary of a Bell Sustainable Financing, we will request a qualified independent external reviewer to review the green or social investments or expenditures linked to the Bell Sustainable Financing proceeds, in order to assess alignment with this Framework. This review will be carried out annually until the full allocation of an amount equal to the net proceeds from the Bell Sustainable Financing. We will post the external review report on the [BCE.ca](https://www.bce.ca) website. In the unlikely event that the annual review identifies allocations to projects that do not comply with this Framework, Bell Canada will allocate the corresponding amounts to different investments or expenditures that comply with this Framework.

Amendments to this Framework

The Sustainable Finance Working Group will review this Framework on a regular basis, including its alignment to updated versions of the ICMA Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines. Such review may result in this Framework being updated and amended. The updates will be subject to a review by a qualified independent external reviewer. Any future updated version of this Framework that may exist will either maintain or improve the then current levels of transparency and reporting disclosure requirements, including the corresponding review by the external reviewer. The updated Framework, if any, will be published in the Bonds section of the [BCE.ca](https://www.bce.ca) website and will replace this Framework.

Contact

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Disclaimer

This Sustainable Financing Framework is provided for informational purposes only and is subject to change without notice.

BCE does not assume any responsibility or obligation to update or revise any statements in this document, regardless of whether those statements are affected by the results of new information, future events or otherwise. No representation or warranty, express or implied, is or will be made in relation to the accuracy, reliability or completeness of the information contained herein and this document should not be relied on in connection with, or act as any inducement in relation to, an investment decision. No liability whatsoever is or will be accepted by BCE for any loss or damage howsoever arising out of or in connection with the use of, or reliance upon, the information contained in this document.

This Sustainable Financing Framework is not an offer of, or invitation to apply for, or a recommendation to buy securities to any person in any jurisdiction. Any offers or invitations to apply for securities will be made only in accordance with all applicable laws. Offers to sell, sales, solicitation of offers to buy or purchases of securities issued by Bell Canada may only be made or entered into pursuant to appropriate offering materials prepared and distributed in accordance with the laws, regulations, rules and market practices of the jurisdictions in which such offers, solicitations or sales may be made. Professional advice should be sought prior to any decision to invest in securities.

Certain statements made in this Sustainable Financing Framework are forward-looking statements, including statements with respect to BCE's sustainable financing objectives, the use of proceeds of any Bell Sustainable Financing, the selection of Eligible Investments, future actions, targets or expectations. All such forward-looking statements are made pursuant to the "safe harbour" provisions of applicable Canadian securities laws and the U.S. Private Securities Litigation Reform Act of 1995.

Forward-looking statements, by their very nature, are subject to inherent risks and uncertainties and are based on several assumptions, both general and specific, which give rise to the possibility that actual results or events could differ materially from our expectations expressed in or implied by such forward-looking statements. These statements are not guarantees of future performance or events, and we caution you against relying on any of these forward-looking statements. The forward-looking statements contained in this document describe our expectations at the date of this document and, accordingly, are subject to change after such date.

Important risk factors that could cause actual results or events to differ materially from those expressed in, or implied by, our forward-looking statements include the risk factors set forth in BCE Inc.'s most recent management's discussion and analysis (MD&A), as may be updated by subsequent quarterly and annual MD&As. Investors and others should carefully consider these factors and risks, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. BCE does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by BCE or on its behalf, except as required by law.