Bell



BELL CANADA 2011 CORPORATE RESPONSIBILITY REPORT

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This report contains forward-looking statements. For a description of the related risk factors and assumptions, please see the caution regarding forward-looking statements in the Report Profile.

The report is formatted so that it can be interpreted by most screen readers used by the visually impaired.

See the GRI and Global Compact Index.







WHO WE ARE

Bell is Canada's largest communications company, providing consumers and businesses with services such as high-speed Fibe Internet, Fibe TV and Satellite TV, Bell Mobility and Virgin Mobile wireless services, Bell Home Phone local and long distance, and Bell Business Markets broadband network and information and communications technology (ICT) services. 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. Bell is wholly owned by BCE Inc. (TSX, NYSE: BCE).

BELL'S GOAL:

TO BE RECOGNIZED BY CUSTOMERS AS CANADA'S LEADING COMMUNICATIONS COMPANY

THE 6 STRATEGIC IMPERATIVES WE ARE EXECUTING TO ACHIEVE OUR GOAL.

- INVEST IN BROADBAND NETWORKS AND SERVICES
- 2. IMPROVE CUSTOMER SERVICE
- 3. ACCELERATE WIRELESS
- 4. LEVERAGE WIRELINE MOMENTUM
- 5. **EXPAND MEDIA LEADERSHIP**
- 6. ACHIEVE A COMPETITIVE COST STRUCTURE



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FUNDAMENTAL TO BELL'S LONG-TERM FUTURE



Corporate responsibility is an essential part of Bell's day-to-day business operations as we work to achieve our goal: To be recognized by customers as Canada's leading communications company.

Our commitment is most visible in the Bell Let's Talk mental health initiative, our \$50-million commitment to support Canadian mental health. Focused on 4 key pillars – anti-stigma, care

Corporate responsibility is an essential part of Bell's day-to-day business operations

and access, research, and workplace leadership – we are executing our national initiative with high-profile anti-stigma efforts such as Bell Let's Talk Day, support for leading research and care institutions, and support for grassroots mental health projects in every region of Canada through the unique Bell Let's Talk Community Fund.

In 2011, Bell was honoured to receive the global Outstanding Corporation award from the Association of Fundraising Professionals, which recognized the progress made by Bell Let's Talk since its launch in 2010.

Our corporate responsibility commitment is renewed each time we talk to customers, shareholders, team members, suppliers and partners, or any of the communities in which we live and work. Millions of Canadians depend on Bell to provide technologies that enable economic opportunity and productivity growth. We know they expect us to deliver those benefits while living up to the most stringent ethical principles and rigorous business standards.

We take great pride in working hard to meet and exceed these expectations, and this report provides details on the progress we are making.

Bell is proud to have been consistently recognized for our adherence to the most rigorous global governance principles, management systems and policies. Our support of the principles of the United Nations Global Compact remains robust and embedded in all the work we do.

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Improving customer service is a strategic imperative for Bell, and we continue to make progress with significant investment in customer service teams, support systems and services. We work to make our networks accessible, safe and secure for our customers. Our 4G HSPA+ network reaches 97% of Canadians and we continue to expand our latest 4G LTE network to communities in most provinces and territories. We enforce strict controls on the protection and use of personal information within our systems, and are a leader in supporting awareness and education for youth and parents on Internet safety.

We continue to make measurable progress in reducing our carbon footprint in everything from the design of our buildings to extensive reuse and recycle initiatives and the effective management of our extensive fleet of service vehicles. We have been recognized by a number of external organizations over the years for Bell's ongoing contribution to sustainability. Bell remains the only Canadian telecom to be certified to the ISO 14001 environmental management standard, a clear example of our leadership in sustainability.

I thank all our Bell team members who contribute hundreds of thousands of hours of volunteer time and millions of dollars to help build stronger communities across the country.

The Bell team will build on the positive momentum described in our report on corporate responsibility as we work to achieve our goal: For Bell to be recognized by customers as Canada's leading communications company.

George Cope

President and Chief Executive Officer

BCE Inc. and Bell Canada

SUSTAINABILITY AT BELL

SUSTAINABILITY VISION

To contribute to the well-being of society by enabling responsible economic growth, connecting communities and safequarding the natural environment.

PRINCIPLES

Bell supports the United Nations Global Compact, a set of universal principles addressing human rights, labour, the environment and anti-corruption issues.

KEY RESPONSIBILITY ISSUES AND OPPORTUNITIES

We monitor corporate responsibility (CR) issues and opportunities through a variety of formal and informal means including trend analysis, benchmark studies, monitoring of CR performance and stakeholder feedback.

From our latest survey, we identified the following as the issues of greatest importance for our customers:

- Customer satisfaction
- Privacy and data security
- Responsible marketing practices
- Protection of minors in cyberspace
- Accessibility of products and services
- Environmental and human impact of telecom networks
- Product take-back
- Energy consumption and emission of greenhouse gases
- Responsible suppliers

These are all addressed within this report.



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VALUES

Acting responsibly is central to achieving sustainable business success and essential to the pursuit of our corporate goal: To be recognized by customers as Canada's leading communications company.

In our daily activities, we have a fundamental responsibility to address a broad spectrum of issues. These include 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. The **Bell Code of Conduct** sets out our specific expectations and accountabilities in each of these areas.



APPROACH AND MANAGEMENT

Our sustainability vision rests not only on solid principles and values, but also on a global strategic approach and highly effective, practical management system.

We reinforce individual accountability through a clear management structure to ensure we identify and properly address responsibility issues and initiatives throughout the corporation.

We also engage with our stakeholders to make sure we address issues that are most important to them and to our business success. In 2011, we received feedback on our 2010 Corporate Responsibility Report from two outside organizations – Canadian Business for Social Responsibility (CBSR) and EXCEL Partnership. We incorporated their feedback as appropriate in this year's report.

Read more on our approach to sustainability, identification of important issues and opportunities, and our reporting structure.

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KEY OBJECTIVES AND RESULTS

Our key performance indicators encompass all sectors of sustainability. Here is a summary:

	KEY CR ISSUES	2011 RESULTS	MET 2011 OBJECTIVE	2012 OBJECTIVES		
GOVERNANCE						
^	Corporate governance and business ethics	10/10 score from GovernanceMetrics International. We have achieved a perfect rating for the ninth year in a row.	/	Remain a leader in corporate governance and ethical business conduct by maintaining best practices, transparency and accountability to our stakeholders.		
A	Management systems	Maintained ISO 14001 certification for our environmental management system for a fourth year in a row. A full external audit was completed in early 2012.	✓	Maintain ISO 14001 certification.		
СО	MMUNITY					
•	Community investment	Bell contributed \$16 million in community investment in mental health and other community initiatives.	/	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.		
EN	VIRONMENT					
A	Climate change	Greenhouse gas (GHG) emissions in 2011 were 220 kilotonnes of $\rm CO_2$ equivalent, an increase of 2% over 2010 but part of an overall reduction of 31% from 2003.	Tracking to 2020 target	Reduce GHG emissions by 159 kilotonnes (to 50% of 2003 GHG emissions) by the end of 2020.		
	Recovery	Bell collected 8,543 tonnes of material from network operations, of which we reused, recycled or used as a fossil fuel substitute 7,778 tonnes (91.0%), a 0.9 percentage point improvement over 2010.	V	New indicator: Reach a total company diversion rate of 75% in 2016.		

- A Recognition provided by external, independent firms:
 - Governance: GovernanceMetrics International
 - Environmental management system: BSI Management Systems America, Inc.
 - Climate change: Enviro-accès. Read the Review Statement.
- Indicators that have been reviewed by Golder Associates. Read the Review Statement.

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	KEY CR ISSUES	2011 RESULTS	MET 2011 OBJECTIVE	2012 OBJECTIVES			
CUSTOMERS							
•	Service access	At the end of 2011, our 4G HSPA+ network covered 97.5% of the Canadian population, a 1.5 percentage point increase over 2010. We also successfully launched the 4G LTE (Long Term Evolution) wireless network in main Canadian markets.	✓	New indicator: Continue implementing the 4G LTE wireless network in other Canadian markets.			
	Responsible procurement	Bell has included in all its contract templates a standard clause indicating that the supplier shall conform to Bell's Supplier Code of Conduct.	✓	Pursue the development of policies and internal processes that favour the selection of responsible suppliers and products.			
•	E-billing	22.6% of all bills produced by Bell were electronic, an increase of 6.9 percentage points over 2010, but below the 24% objective.	×	Increase e-billing to 28.4% of all bills produced by Bell.			
	Product take-back	Bell recovered 186,823 phones in 2011, for a total of 1,065,904 phones since 2003.	✓	Continue recovery process at Bell and participate in provincial recovery programs by increasing public awareness.			
WC	RKPLACE						
	Employee engagement	There was no survey conducted at Bell in 2011. Bell's overall employee engagement score in 2010 was 66%. 2012 team survey results will be released later this year.	_	Continue to improve employee engagement.			
•	Health and safety	On-duty accident and occupational disease costs accounted for 0.39% of payroll – an increase of 0.01 percentage points over 2010, but below the objective of 0.4%.	✓	Evolve Bell's integrated management system to better align with health & safety best practices.			

■ Indicators that have been reviewed by Golder Associates. Read the Review Statement.

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GLOBAL RECOGNITION

FTSE Group confirms that Bell Canada has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index company FTSE Group, FTSE4Good is an equity index series that is designed to facilitate investment in companies that meet globally recognized corporate responsibility standards. Companies in the FTSE4Good Index Series have met stringent social and environmental criteria, and are positioned to capitalize on the benefits of responsible business practice.

BCE is a member of the JSI, a socially screened, market capitalization-weighted common stock index modelled on the S&P/TSX 60. It consists of 60 Canadian companies that pass a set of broadly based environmental, social, and governance rating criteria.





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



The Association of Fundraising Professionals, an international organization dedicated to the promotion of charitable and volunteer leadership, has named Bell the recipient of the 2012 Freeman Philanthropic Services Award for Outstanding Corporation.



In 2011, Bell also obtained BOMA BESt certification for 7 of its largest Québec-based buildings and BOMA Building of the Year for its Montréal LEED certified campus. Bell will seek certification for additional buildings throughout 2012, including LEED Gold for its data centre currently under construction.



Oekom Research has rated BCE as Prime, qualifying our bonds and shares for ecologically and socially based investment.

BCE has been reconfirmed as a member of the Ethibel EXCELLENCE Investment Register.



For the 9th consecutive year in 2011, BCE received a perfect 10/10 rating from GovernanceMetrics International in its global corporate governance study. BCE is one of only 43 companies (top 1%) to achieve this highest score.



Since 2004, Bell is a respondent to the Carbon Disclosure Project (CDP) annual Investor Information Request for corporate climate change information, and is ranked in the top 2011 CDP Canada 200—Carbon Disclosure Leadership Index (CDLI).

CARBON DISCLOSURE PROJECT

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OUR COMMUNITY



Let's talk mental health

- Mental health
- Investing in communities

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MENTAL HEALTH



Bell is investing \$50 million to support mental health across Canada with the Bell Let's Talk mental health initiative, an unprecedented multi-year program that addresses the most pervasive yet underfunded health issue facing Canadians today: mental illness. One in 5 Canadians will suffer from some form of mental illness in their lifetimes. As Canada's leading cause of workplace disability, mental illness has a huge negative impact on the national economy.

GLOBAL PHILANTHROPY AWARD

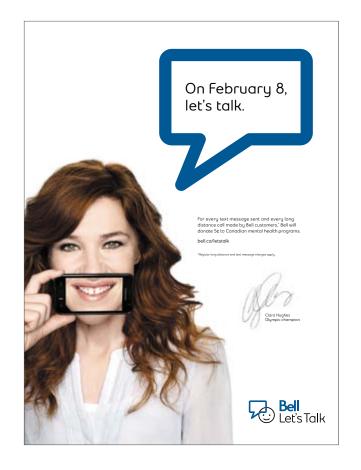
The Association of Fundraising Professionals, an international organization dedicated to the promotion of charitable and volunteer leadership, has named Bell the recipient of the 2012 Freeman Philanthropic Services Award for Outstanding Corporation. This global philanthropy award recognizes the ongoing progress that the Bell Let's Talk initiative has made in moving Canadian mental health forward.

THE BELL LET'S TALK MENTAL HEALTH INITIATIVE: 4 ACTION PILLARS

1. Anti-stigma

Bell Let's Talk supports a national awareness campaign to reduce the stigma surrounding mental health by promoting greater recognition and openness about mental illness.

In February 2011 and 2012, Canadians from coast to coast to coast joined national spokesperson Clara Hughes on the annual Bell Let's Talk Day in a country-wide conversation to end the stigma around mental illness. In 2012, when Clara was joined by singer-songwriter Stefie Shock and actor-comedian Michel Mpambara, Canadians responded with 78,520,284 texts, long-distance calls and retweets – a 19% increase over the first Bell Let's Talk Day. With Bell donating 5 cents for each text, long-distance call and retweet, Bell Let's Talk Day 2012 resulted in additional Bell donations to Canadian mental health programs of \$3.3 million in 2011 and \$3.9 million in 2012.



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On Bell Let's Talk Day and at awareness events throughout the year, Bell team members had the opportunity to hear spokespeople from the 2011 Faces of Mental Illness campaign and others share their personal stories and talk about mental health at in-person and online events in Bell locations across Canada.

In February 2012, Bell and Queen's University established the world's first anti-stigma research chair. Funded by a \$1 million gift from the Bell Let's Talk initiative, the Bell Mental Health and Anti-Stigma Research Chair will enable Queen's Faculty of Health Sciences to advance its anti-stigma research, scholarship and outreach programs.





2. Care and access

There is a critical need to connect Canadians to mental health care when and where they need it, in major urban centres and small communities, at major hospitals and with the support of local community organizations.

The \$1-million Bell Let's Talk Community Fund distributed 49 grants to local organizations supporting mental health in their communities in 2011.

Bell supports major institutions of national importance in their work to better treat mental illness. Some of Bell's recent contributions include:

- \$1 million to the Royal Ottawa Hospital to expand its telepsychiatry program to extend services to rural, northern and remote communities
- \$1 million to the University of British Columbia to establish the Bell Youth Mental Health Impact Project which will allow UBC researchers to conduct mental health outreach to youth in need throughout B.C.
- \$10 million to the Centre for Addiction and Mental Health (CAMH), to take the world-leading institution past its landmark \$100 million fundraising goal
- \$300,000 to the Fondation Hôpital Charles-Lemoyne for its adolescent psychiatric unit
- \$250,000 to the Streetohome Foundation to provide support to homeless or at-risk youth living with mental health issues and addictions in B.C.

3. Workplace

Every day, more than half a million Canadians are absent from work due to some form of mental illness. It is the primary cause of workplace disability in Canada. As a leading employer, Bell is committed to working with corporate Canada and the health care community to develop and adopt mental health best practices in the workplace.

At Bell, this includes enhanced and easy access to mental health information for Bell team members, including year-round seminars and workshops. We held over 85 awareness events last year with participation rates of 80% of capacity and positive feedback.

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Bell participates in corporate roundtables and other initiatives to support the creation of an overall culture of support for mental health in the workplace within the Canadian business community.

Approximately 90% of Bell management has already taken part in mental health training and education programs. We have enhanced our Returnto-Work model, adjusting our process to include earlier intervention, ongoing communications, and more rigorous follow-up for better workplace reintegration.

We've also begun a program in which team members on long-term disability with a mental health illness can take part in volunteer activities in the community to help improve social interaction and overall well-being.



4. Research

Bell supports research into better understanding and treatment of mental illness, investing in best-in-class research programs at leading hospitals, universities and other institutions across Canada.

That support includes the funding of new chairs, fellowships and project grants for leading researchers:

- In October 2011, Bell donated \$1 million to Montréal's Louis-H.
 Lafontaine Hospital to support innovative research and a new mental health biobank
- In February 2012, Bell announced a donation of \$2 million to the Douglas Mental Health University Institute in Montréal for research activities associated with the Douglas-Bell Canada Brain Bank, a worldclass brain centre unique in Canada.
- In February 2012, Bell gave \$1 million to establish a world first: the Bell Mental Health and Anti-Stigma Research Chair. This will enable the Queen's University Faculty of Health Sciences to advance its anti-stigma research, scholarship and outreach programs.



GLOBAL PHILANTHROPY AWARD

The Association of Fundraising Professionals, an international organization dedicated to the promotion of charitable and volunteer leadership, has named Bell the recipient of the 2012 Freeman Philanthropic Services Award for Outstanding Corporation. This important global philanthropy award recognizes the remarkable progress that our Bell Let's Talk initiative has made in moving Canadian mental health forward.

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INVESTING IN COMMUNITIES

Bell makes a significant investment in the communities where our team members work and live.

Bell contributed \$16 million in community investment in 2011. That included the Bell Let's Talk mental health initiative, supporting the action pillars of anti-stigma, care and access, research, and workplace health, as well as contributions to a wide range of community charities and the Employee Giving Program. Bell matches Employee Giving Program donations to United Way/Centraide, universities and colleges, and grants to charities in recognition of team member volunteer contributions.

Bell team members and pensioners donated more than \$1.4 million in charitable gifts and logged more than 286,000 hours of volunteer time to support sport and charitable organizations in 2011.



BELL 2011 INVESTMENTS

(\$ millions)

	2011	2010	2009
Bell community investment	16.0	15.8	13.0
Employee donations	1.4	1.2	2.1

SUPPORTING NORTHERN COMMUNITIES

Northwestel is committed to work with northern partners to support our communities. In 2011 Northwestel contributed more than \$551,000 in sponsorships and in-kind donations to a variety of northern community groups, including National Aboriginal Day, the Great Northern Arts Festival in Inuvik, the Kivalliq Science Educators in Nunavut, and hospital foundations in Yukon, Fort Nelson and the Northwest Territories. Northwestel gave an additional \$10,000 to community organizations, while employees volunteered 1,500 hours through the company's Volunteer Involvement Fund. Northwestel was the United Way Yukon's top corporate sponsor in 2011, raising close to \$23,000.

The Community Service Technician program (CST) is a Northwestel initiative that opens doors for northerners to employment at Northwestel. It is often a challenge to provide services to the majority of the communities in Northwestel's operating area because they are remote and can be reached only by air. To better serve customers in isolated villages, Northwestel employs local residents as part-time CSTs trained to perform repair and installation services, and to assist with restoring service in case of outages. CSTs currently look after close to 40 communities in Yukon, the Northwest Territories and Nunavut.

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WALK FOR KIDS HELP PHONE

In May, hundreds of Bell team members and retirees helped organize and lead the annual Walk for Kids Help Phone. Kids Help Phone is Canada's only free, national, bilingual, confidential and anonymous, 24-hour telephone and online counselling service for children and youth.

Thanks to them and the thousands of other Canadians who supported the walk, the event raised more than \$2 million for the organization, which provides immediate support to an average of 600 young people in need every day of the year.



AFRICAN FAMINE RELIEF

In July 2011, Bell donated \$250,000 to the Humanitarian Coalition in response to an urgent international call for help to prevent massive loss of life due to the drought in East Africa. Bell also provided direct links on its internal websites to facilitate donations by team members.

Humanitarian Coalition members provided life-saving assistance to many of the 11 million people affected, supported by Bell funds going directly to provide clean drinking water and food for malnourished children, and shelter and medical attention for families.

Bell Media delivered a multi-platform public service announcement campaign across all our media properties, from television to radio to online.

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OUR CUSTOMERS



Let's talk delivering quality services

- Delivering quality services
- Providing access
- Ensuring service
- Protecting customers
- Responsible products and services

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DELIVERING QUALITY SERVICES

With investments in customer service systems surpassing \$100 million in 2011, Bell implemented improved call centre technology, call routing and self-serve online options for customers, and enhanced training and simplified desktop systems for our service teams.

With close cooperation between the technicians who install services and the dispatch and call centre teams that back them up, we're seeing notable progress in service improvement.

OFFERING PERSONALIZED ONLINE SERVICE

- In Bell call centres, we introduced a fast track for residential customers
 to get live help to walk through an installation or service issue if
 required. We've introduced dedicated call centre teams for technicians
 to access immediate and specialized support during Same Day Next
 Day installation and repair.
- We strengthened our call centres significantly in 2011 with a new stateof-the-art centre in Laval supporting Bell residential customers across
 Québec and Ontario. Bell Mobility grew its Vancouver centre to offer
 expanded service for our growing Western base later into the evening
 and its Montréal centre to increase our bilingual service.
- Text message surveys of new wireless customers who've accessed our service centres give us immediate feedback and the opportunity to identify service issues right away. Bell Mobility customer satisfaction scores approached 80% in December, an improvement of 30% since the start of the year.
- With ongoing enhancements to our Bell.ca website, we've also greatly increased the number of customers choosing self-serve options up over 80% in the last year with Bell Mobility reducing inbound calls and service costs. Customers had more than 260,000 real-time chats with service representatives, part of an increase in visits to Bell.ca to more than 8.6 million in December alone, an increase of 20% over the year before.

GROWING OUR SERVICE TECHNICIAN FORCE

- Customer satisfaction with the new Bell Fibe TV remains the highest for all Bell services. We hired more than 1,000 technicians in 2011 to support our Fibe rollout to millions of homes in Montréal and Toronto, while hard work by our Fibe TV Resolution team has reduced the rate of repeat service calls significantly.
- Our service technicians are arriving on time for service appointments more than 98% of the time. During one of the busiest times of the year

 the massive number of household moves in Québec
 July Bell handled more than 20,000 dispatches,
 with just 0.31% missed appointments. Bell handlly
 beat its major Québec competitor, delivering on our promise to get service set up in new homes

This is the sort of differentiation we deliver, whether we're serving customers in their homes, online, over the phone, in their businesses or in our stores. We understand that customers have more choices than ever before. It's why we work and invest to get better at delivering on their expectations and ensuring their first choice remains Bell.

within two days.

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PROVIDING ACCESS

As the country's largest communications company, Bell has a responsibility to make its services accessible to all members of society. We provide numerous ways for customers with disabilities or those living in remote areas to benefit from our communications technologies. Through our strategic imperative to invest in broadband networks and services, Bell is the builder of Canada's communications infrastructure, growing broadband connectivity faster and extending it farther than any other company.

SERVICE COVERAGE

4G LTE and HSPA+

Bell now offers 4G LTE coverage to millions of Canadians in 16 urban centres in 7 provinces and territories - Whitehorse, Yellowknife, Vancouver, Calgary, Edmonton, the Greater Toronto Area (GTA), Ottawa, Hamilton, London, Kitchener-Waterloo, Guelph, Belleville, Peterborough, Montréal, Québec City and Halifax – and will expand to additional markets this year.

Bell's 4G LTE network offers download speeds of up to 75 Mbps, with typical user speeds of 12 to 25 Mbps. It is designed to provide speeds of up to 150 Mbps on compatible devices as the network and device selection evolve.

Outside of 4G LTE coverage areas, customers with most Bell LTE devices still have access to high-speed data on Bell's 4G HSPA+ network, which covers more than 97% of the population and provides download speeds of up to 42 Mbps (typically 7 to 14 Mbps) to more than 70% of Canadians.

> At the end of 2011, our 4G HSPA+ network covered 97.5% of the Canadian population,* a 1.5 percentage point increase over 2010. We also successfully launched LTE (Long Term Evolution) 4G wireless in main Canadian markets.

Bell Fibe TV

More than 2 million households now have access to Bell Fibe TV, which provides absolutely stunning HD picture quality and unique features including ENERGY STAR®-qualified Whole Home PVR, the most HD movies and shows On Demand and apps like Facebook and Twitter on TV. The number of households with access to Fibe TV is expected to grow to 3.3 million by the end of 2012.

Households in Québec City, Montréal and Toronto are the first to experience the spectacular Fibe TV service. With the only true Whole Home PVR, only Fibe TV allows customers to pause and rewind live TV on each TV, set and manage recordings from any TV, and record up to 4 shows at once (3 in HD) with a single PVR.



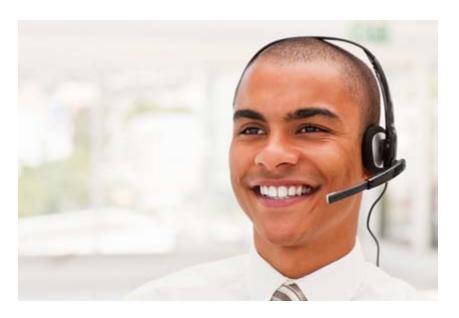
^{* 2011} Canadian population census

CUSTOMERS WITH DISABILITIES

Bell is committed to making communications and entertainment services available to everyone. That's why we've developed a variety of solutions to make our mobile, home phone, TV, and Internet services more accessible.

Bell's Accessibility Services Centre has a dedicated team of agents with expertise in the entire line of Bell products and services. This team has been extensively trained to understand the barriers faced by persons with disabilities in using communications services and how to help customers overcome those barriers.

All services are fully described on our website at Bell.ca/accessibility



Other initiatives include:

- Bell Relay and Bell IP Relay services that enable people with hearing
 or speech difficulties to communicate with hearing persons by phone
 or through a Web-enabled computer with the help of trained operators.
 These services enable a customer to establish an online connection
 with an operator who places a call on the customer's behalf. The
 operator then acts as an intermediary, relaying typed messages from
 the customer by voice to the person who was called and then typing
 the spoken response back to the customer. This service is free.
- Voice Dialing that enables business and residential subscribers to call their contacts without having to dial their phone numbers. Subscribers simply say the name of the person they want to call.
- Customers can request bills, inserts and other printed materials in alternate formats such as braille and large print.
- Bell continues to work collaboratively with leading organizations in the accessibility community to improve access. After collaborating with key members of the deaf and hard-of-hearing community for over a year, Bell completed a feasibility study for Video Relay Service (VRS) in Canada. VRS enables individuals who use sign language to communicate with each other and with hearing individuals over the telephone network. Bell is also working with a range of stakeholders on a comprehensive plan to improve the accessibility of wireless products and services. Bell has made advances in the accessibility of broadcasting services, such as proposing a Broadcasting Accessibility Fund to provide platform-neutral solutions to ensure the accessibility of all broadcasting content.

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ENSURING SERVICE

BELL'S CORE NETWORK

Our customers can rely on IP VPN (Bell's IP core network) to transmit data and voice between main communication points across the country. We continue to maintain IP VPN stability and robustness while investing in new hardware and software upgrades to continue to improve performance.

We have refined the service in numerous ways, including:

- Implementing a uniform incident management process
- Establishing tighter relationships with our suppliers to prevent incidents
- Making significant upgrades in software and hardware to provide added stability and performance

Bell was named by Cisco as the 2011 winner of its Joint Operational Excellence Quality Award. Bell earned this international recognition by demonstrating excellence in performance, customer experience and cost management.

BELL INTERNET AVAILABILITY

Bell is Canada's largest Internet service provider and we continued to improve the quality and availability of our Internet services in 2011 in these ways:

- 1. Installed Broadband Access Servers closer to customers to improve reliability and speed of Internet service
- 2. Invested in fibre optic and transmission equipment within our backbone network to meet the growing demand for Internet service and bandwidth
- 3. Deployed the next-generation carrier Ethernet platform to address routing/speed limitations of the current platform
- 4. Upgraded hardware and software programs across all networks for enhanced features and to quickly resolve problems
- 5. Implemented various proactive scripts and processes to enhance recovery and reduce the impact of outages

BUSINESS CONTINUITY

Bell recognizes that our infrastructure is critical to the health, safety, security and economic well-being of our customers and Canadians in general. Business continuity planning is a key component of the company's approach to manage operational, financial and reputational risks. The company is committed to taking all reasonable steps to maintain a state of readiness that allows for proactive and efficient responses to any event that may disrupt its business. The program is aligned with industry best practices and international standards.

The objective of our business continuity program is to protect the company's customers, team members, revenues and reputation. This is achieved by continuously preparing for, mitigating and recovering from emergencies caused by natural, human, technological, operational or social threats that impact our people, facilities, critical business functions, revenues and/or systems. This is made possible by conducting a Business Impact Analysis to ensure business continuity strategies and plans are kept current and regularly tested through a clearly defined exercise program. This effort is also supported by our Emergency Management Program which includes the mandatory



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PROTECTING CUSTOMERS

PRIVACY

Every year, each Bell team member reviews and signs the Code of Business Conduct which requires, among other things, the safeguarding and proper use of customer information.

In addition, our customer-facing representatives undergo privacy training to better understand their obligations to protect customer information, and to ensure they are aware of and 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've set out key elements of our privacy code in a simpler, easier-to-read privacy statement. Privacy policies and the answers to frequently asked questions are available on our websites under **Privacy at Bell**.



PROTECTION OF MINORS

As a founder of the Canadian Coalition Against Internet Child Exploitation, Bell worked to develop **Cleanfeed Canada**. This initiative aims to reduce accidental access to child sexual abuse images as well as to discourage those trying to access or distribute child pornography.

The company is also a lead partner in **Cybertip.ca**, Canada's tip line for reporting the online exploitation of children. Since Cybertip.ca was launched in 2002, 78 people have been arrested and at least 30 children have been removed from abusive environments as a result of tips provided by the public. Bell is fully compliant with the federal law requiring Internet service providers to report suspected Internet child pornography.

Bell also supports awareness and/or education for youth and parents on Internet safety. Bell sponsors:

- The Media Awareness Network's Be Web Aware website, which promotes safe use of the Internet for children and parents
- The Parenting the Net Generation workshop, a free online workshop for parents on children's Internet use
- The Missing and Exploited Child Conference, offered annually by the Canadian Centre for Child Protection to provide training for individuals in related fields including law enforcement, social services and counselling.

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WIRELESS HEALTH AND SAFETY

Bell meets or exceeds all regulations regarding wireless health and safety. For instance, Bell certifies that every antenna base-station installation, whether on rooftop, tower or in-building, is fully compliant with federal **Safety Code 6** requirements. Similarly, all manufacturers of wireless devices offered by Bell test their products to meet all applicable quidelines and regulations.

Bell is a member of the Canadian Wireless Telecommunications Association (CWTA), which supports research into wireless health issues and monitors worldwide scientific research related to mobile technologies.

As a part of its wireless network coverage and capacity expansion, Bell undertakes thorough public and municipal consultations for all of its proposed wireless antenna sites. Bell believes in meaningful dialogue with residents, municipal staff and elected officials in response to its network engineering expansion site applications before it begins construction. When a municipality has drafted and ratified its own antenna siting protocol, Bell adheres to the municipality's process for public consultation. Bell complies fully with Industry Canada's guidelines for public and municipal consultation as laid out in CPC-2-0-03, Issue 4, Radiocommunication and Broadcasting Antenna Systems.

Bell meets regularly with other carriers through the CWTA's working groups to address potential issues with a view to satisfying residents and municipalities regarding site placements.

9-1-1 SERVICE

Bell has worked within the industry to develop and implement an SMS Text to 9-1-1 trial for deaf, hard of hearing and speech-impaired subscribers. Testing and trials are commencing following design, negotiation and installation carried out in 2011. Trial partners include police services in Peel Region, Toronto and Montréal.

Bell has also been developing its next-generation 9-1-1 data platform to deliver IP 9-1-1 data to more than 350 Public Safety Answering Points across Ontario and Québec. The three trial participants were equipped with Bell IPVPN circuits and Bell provided customer edge routers which are monitored and managed by Bell's dedicated 24/7 9-1-1 operations team. This IP-enabled 9-1-1 data network will also support enhancements to allow for in-call location updates for wireless 9-1-1 calls throughout the call. It is scheduled for trial in late 2012.



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RESPONSIBLE PRODUCTS AND SERVICES

CLARITY OF PRICING

Bell supports the Wireless Code of Conduct and participated in its development by the Canadian Wireless Telecommunications Association. The code ensures that customers have the information they need to make informed purchasing decisions. It also safeguards their rights as customers and ensures their concerns are addressed. The company's wireless business practices are in compliance with the code. Read the full Wireless Code of Conduct.

Bell has put in place several measures to communicate pricing, product and service information clearly:

- Advertising that includes all mandatory fees (all-in pricing)
- A clear description of rates, charges and key terms and conditions for Bell services
- Information about available service plans, the length of contract terms and key restrictions and conditions that may apply
- Notice of important changes to rates, charges and key terms and conditions for Bell services

Read the Bell clarity commitment

CHOOSING RESPONSIBLE SUPPLIERS

In accordance with our procurement policy, we seek out suppliers who demonstrate a strong commitment to sustainable development through the adoption of rigorous principles regarding the environment, health and safety, labour and ethics.

We also require that all new contracts include a standard clause indicating that the supplier conforms to Bell's Supplier Code of Conduct. Bell also makes it clear that its suppliers must take all reasonable measures to respect that code not only in their own business operations but also along their own supply chains.

As part of enforcing the code, Bell uses a questionnaire to assess suppliers during the selection process and improve the policies and programs of existing suppliers. Bell continuously verifies the responses suppliers provide.

CHOOSING THE RIGHT PRODUCTS

When making choices about which products or services to buy, we consider environmental criteria ranging from energy consumption and recyclability to durability and the presence of hazardous or recycled materials.

In 2011, we introduced a set of eco-criteria for all new mobile phones and components provided by Bell, including batteries, chargers and packaging. The criteria cover a wide range of issues such as the use of toxic substances, recyclability of materials, identification of plastics, energy efficiency, carbon footprint, and conflict minerals.

Our new Fibe TV receivers are ENERGY STAR® qualified. ENERGY STAR is a voluntary government-business energy efficiency program. Products bearing the ENERGY STAR label meet a premium level of energy efficiency, making it easy for consumers to choose the most energy-efficient products.



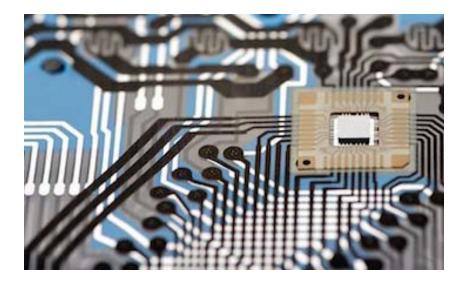
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CONFLICT MINERALS

Many electronic devices contain small amounts of metals such as tantalum, tin, tungsten and gold. When these minerals are mined in conditions of armed conflict and human rights abuses, they are known as conflict minerals.

Although Bell does not manufacture electronic products, we are concerned about the social and environmental impact of conflict minerals. In 2011, we asked our major suppliers and retailers of electronic equipment to implement processes and control mechanisms to avoid the use of conflict minerals in the products they supply to Bell. Close to 60% of suppliers responded that they had a policy or were taking action to address the issue.

As a member of the Global e-Sustainability Initiative (GeSI), we are closely monitoring this issue and supporting industry-wide initiatives such as those of the GeSI and Electronic Industry Citizen Coalition (EICC) Extractives Work Group. Their aim is to increase the transparency and traceability of these materials in the supply chain. We will continue to monitor this issue in 2012.



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OUR ENVIRONMENT



Let's talk
energy and
resources
efficiency

- Reducing our carbon footprint
- Reusing and recycling
- Other environmental programs

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REDUCING OUR CARBON FOOTPRINT

Bell plays a leadership role in the communications industry by taking environmental protection into account in all aspects of its operations, including the deployment and maintenance of its networks and the efficient use of energy and resources. Using energy efficiently both helps the environment and supports our strategic imperative to achieve a competitive cost structure. In 2011, we introduced Bell Media and The Source into our environmental management system under the same guiding principles.

The communications services we offer customers and use ourselves, such as conferencing solutions, are effective substitutes for travel, while efficient data management, virtualization and telematics also reduce energy use in a variety of ways.

Our current programs are successfully managed through our ISO 14001-certified management system.

Read more.

In 2011, Bell's greenhouse gas (GHG) emissions totalled 219.9 kilotonnes of CO_2 equivalent (CO_2 e). This is an increase of 2% over 2010, but an overall reduction of 31% from 2003.

GREENHOUSE GAS EMISSIONS

(kilotonnes of CO ₂ e)			
-	2011	2010	2009
Scope 1	85.3	84.2	95.9
Scope 2	129.9	126.5	117.4
Scope 3	4.6	4.3	6.9
TOTAL	219.9	215.1	220.1

ENERGY CONSUMPTION

(GWh equivalent)			
	2011	2010	2009
Electricity – telecom network and buildings	1,134	1,105	935
Fuel – buildings and generators	61	78	95
Fuel – vehicle fleet	270	251	278
TOTAL	1,465	1,434	1,308

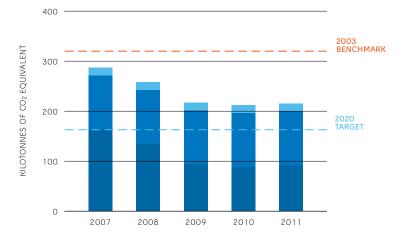
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The increase in 2011 is mainly due to the rapid expansion of our network and increased demand for our services, which required more electricity and fuel to run additional vehicles.

Through careful management, we were able to limit the increase of emissions with a variety of energy reduction initiatives within our fleet, buildings and data centres. It was also possible because of our use of Green ICT solutions.

More data on energy consumption and emissions of specific gases is provided in our detailed 2011 **GHG Emissions Report**.

BELL - GREENHOUSE GAS EMISSIONS



SCOPE 1 > Direct emissions from fleet, generators, cooling systems, and fuel oil and natural gas for buildings

SCOPE 2 > Indirect emissions from electricity used for buildings and network equipment

SCOPE 3 > Indirect emissions from employee travel.

Note: Scopes 1, 2 and 3 are the three main categories describing direct and indirect emissions of greenhouse gases, as defined in *The Greenhouse Gas Protocol:*A Corporate Accounting and Reporting Standard (revised edition), produced by the World Resource Institute and the World Business Council for Sustainable Development).

VEHICLE FLEET



As part of the largest electric vehicle trial in Canada, Bell employee Francine Noreau drives her all-electric Mitsubishi i-MiEV.

We continued deployment of telematics at Bell in 2011. Now installed on 8,000 vehicles, telematics provides round-the-clock vehicle positioning and vital engine information, and helps service technicians be more productive. By becoming more efficient at dispatching our technicians, we reduce distances driven and fuel consumption.

We continued to deploy more fuel-efficient vehicles, and to promote ecodriving and reduced idling through the Eco-Team challenge. An anti-idling campaign is being conducted again in 2012.

Bell is proud to participate alongside 9 other companies in the largest electric vehicle trial in Canada. For the pilot project's third phase, Hydro-Québec and Mitsubishi Canada have provided a Bell team member with an electric vehicle to use for her day-to-day activities, including her commutes to work. As part of the trial, Hydro-Québec has also installed a charging station at her home and provided one for Bell's Montréal headquarters on Île des Sœurs. Bell's participation in the trial supports Québec's electric vehicle strategy and our ongoing exploration of electric or hybrid vehicle options for the Bell fleet, initiatives clearly aligned with our commitment to minimize our environmental footprint and reduce greenhouse gas emissions.

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BUILDINGS

The Montréal Campus, already LEED certified, won the 2011 Building of the Year Award from the Building Owners and Managers Association (BOMA) of Québec. Six other Bell buildings in Québec also received BOMA BESt certifications for management practices that protect the environment.

Our efforts to reduce our global environmental footprint include energy reduction initiatives such as:

- Energy recovery from cooling systems to provide hot water and space heating
- Motion sensors to turn lights on and off
- Green roofs and heat-reflecting roofing materials
- Energy-efficient lighting and optimized lighting levels
- Programmable thermostats and optimized heating and cooling systems
- Energy-saving measures, such as optimized lighting and more efficient cooling systems installed in co-operation with landlords
- Damper operation with enthalpy control to reduce the need for mechanical cooling and enhance free-cooling operations
- Installation of thermostats on standby power diesel generator block heaters

Overall, we estimate these initiatives prevented the consumption of 35 GWh in 2011. This corresponds to 6% of Bell's building electricity consumption, or enough energy to heat 3,500 households for a year.

As an ENERGY STAR® participant, Bell also uses many ENERGY STAR qualified products including laptop computers, LCD screens, multifunction printers and refrigerators. Bell also encourages all team members to purchase ENERGY STAR qualified products whenever possible.







DATA CENTRES

The two latest additions to Bell's network of data centres use innovative clean technology to provide customers with co-location, managed hosting and next-generation cloud computing services such as software-as-a-service and hosted unified communications.

The new centre in Markham, Ontario uses power from a local district energy utility, which produces emergency power and cold water on a massive, highly efficient scale, augmented by a solar array on the roof of the data centre. 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 help heat nearby schools and community centres.

The second data centre, in Buckingham, Québec, is designed to meet the LEED Gold standard and be in the top 2% of data centres in North America for the most effective use of power. The 7,600-square-metre (82,000-square-foot) building uses green hydro power on a grid separate from most National Capital Region users. It will also comply with the strictest security standards, including the use of advanced biometric access controls.

COMMUNICATIONS TECHNOLOGY

Bell uses its technologies to further reduce energy consumption, team travel and the use of material resources, all of which contribute to reducing carbon emissions.

Virtualization

Through virtualization, we decommissioned 664 servers, reducing capital requirements and saving approximately 2.8 million kWh annually – enough energy to heat 280 households for a year. That also amounted to a reduction of 159 tonnes of greenhouse gases.

Conferencing solutions

Team members conducted more than 1.1 million teleconferences in 2011 and also substituted web and video conferences for travel. That reduced travel costs and eliminated the emission of an estimated 2,300 tonnes of greenhouse gases during the year.



■ Electronic billing

We issued 22.6% of bills electronically in 2011, an increase of 6.9 percentage points (43.9%) over 2010. By reducing the use of paper, we saved approximately 33,000 trees and avoided the emission of about 4,100 tonnes of greenhouse gases. The balance of our bills were printed on paper that is certified by the Forest Stewardship Council (FSC). We will continue to promote paperless billing in a number of ways, including automatically registering new customers to electronic billing and charging a fee for new customers who still want to receive a paper bill. Our 2012 objective is to increase e-billing to 28.4% of all bills produced by Bell.

E-BILLS

	2011	2010*	2009*
% of total bills	22.6%	15.7%	15.0%

^{*} Note: The results for 2009 and 2010 have been adjusted to reflect the current methodology in e-bill volume calculations.

Teleworking

We have equipped more than 22,000 team members to work away from the office either part or full time. This eliminates up to 20,000 tonnes of GHG emissions as an estimated 110 million kilometres is saved every year in commuting. Teleworking also allows our business to be more resilient by ensuring remote work access during any potential emergency situation.

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REUSING AND RECYCLING

OVERALL RECOVERY

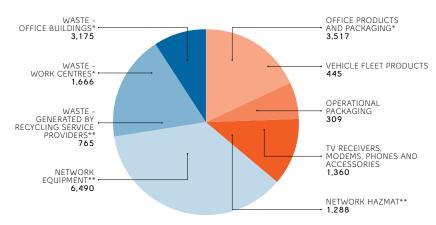
To minimize the amount of waste we produce, we run several programs to reduce, reuse, recycle, or use as fossil fuel substitutes, the products and materials we use to operate our business.

This chart illustrates the main categories of residual materials that Bell handles:

BELL RESIDUAL MATERIALS

(tonnes)

70.5% DIVERSION RATE



- Quantity collected is an estimate based on the volume of containers and frequency of pickups.
- ** Items used to calculate the "network recovery rate"

We estimate that we divert 70.5% of materials from landfill. This is a conservative assessment because the quantity of waste at our office buildings and work centres has been estimated on container volume and at maximum levels.

Our objective for 2012 is to increase the amount of waste audits and obtain a more precise assessment of our entire waste flow. This would allow us to use the "total waste diversion rate" as our key performance indicator, with a target of 75% in 2016.



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NETWORK OPERATIONS

Our current key indicator is the recovery rate for our telecommunications network residual materials for which we have weighted and audited data. In 2011, Bell collected 8,543 tonnes of material from network operations, of which we reused 7,778 tonnes (91.0%). This was either sold, refurbished, recycled or used as a fossil fuel substitute. This is an increase of 0.9% over 2010, mainly attributable to an increase in the recycling of cables and telecommunications equipment.



In this photo, CFER students refurbish terminals that will be reused in our wireline residential network.

TELECOM NETWORK RESIDUAL MATERIALS

(tonnes)

	2011	2010**	2009**
Recovered* – Network equipment	6,490	5,351	4,787
Recovered* – Network hazmat	1,288	1,693	956
Waste – Generated by recycling service providers	765	769	790
TOTAL COLLECTED	8,543	7,813	6,533
Recovery rate* (%)	91.0%	90.2%	87.9%

- Includes materials that are either reused, recycled or used as a fossil fuel substitute (cables, terminals and equipment, poles, batteries and other hazardous residual materials)
- ** Results for 2009 and 2010 have been adjusted to include reuse program results for switching and transmission equipment, cable reels, air filters, plug-ins and terminals.

Our program includes the refurbishment and reuse of various equipment used in our network operations, such as air filters, terminals, wooden reels and circuit cards – a total of 581 tonnes in 2011.

We support the Centre de formation en entreprise et récupération (CFER), a training school that provides useful manual skills to young people who do not have a high school education. CFER collects and sorts recyclable materials generated at 14 of our work centres in Québec and the diversity of work the students perform provides excellent training for mainstream employment.

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OFFICE OPERATIONS

Bell's reuse and recycling programs also address residual materials from our administrative activities, such as paper, cardboard, glass, steel, aluminum and organic matter.

In 2011, we reused and recycled 3,571 tonnes of materials, including 162 tonnes of computers and peripherals and 147 tonnes of toner cartridges. The initiative also saved 1,767 tonnes of paper, the equivalent of 33,000 trees.

Our programs include donations to various organizations:

- In 2011, Bell donated 58.8 tonnes of unused furniture, valued at \$77,000, to several charitable organizations.
- Bell supports the Computers for Schools Program by giving used computers to elementary and secondary schools and to various nonprofit organizations. In 2011, we donated 7,565 used computers, bringing our total donation in recent years to more than 56,500 computers, more than 13,600 monitors, and more than 3,850 printers.



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VEHICLE FLEET

Bell is proud to deploy more fuel-efficient vehicles, and to promote ecodriving and reduction of idling through the Eco-Team challenge. We also include a number of products from our fleet vehicles in our collection process, ranging from used tires, used batteries, and used oil and filters to windshields, cleaning fluids for automotive parts, used engine antifreeze and brake cleaning solvents.

In 2011, we collected 445 tonnes of residual materials to be recycled.





CUSTOMER PRODUCTS

Bell was the first company to establish a cross-Canada collection program for reusing and recycling mobile phones.

In 2011, we increased the number of collection points by introducing the program to The Source stores across the country.

We met our objective by recovering 186,823 phones. Since 2003, we have collected 1,065,304 phones.*

In 2011, we also collected the following for either reuse or recycling:

- 8.6 tonnes of batteries and accessories
- 510,300 modems (285 tonnes)
- 418,400 TV receivers (1,528 tonnes)

Read more about our **Bell Blue Box program**

* Includes used mobile phones collected from customers and from our surplus inventory

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OTHER ENVIRONMENTAL PROGRAMS

For over 20 years, we have implemented and maintained numerous additional programs to reduce the environmental impact related to our operations. Here are some examples:

WATER

Water is used by team members for drinking and sanitary purposes, for landscaping and, at some locations, to wash company vehicles and cool the air in our buildings. We recognize the importance of responsible water usage and have implemented water-saving initiatives at our campus locations. These include water-saving faucets and toilets and landscaping that does not require irrigation.

In 2011, we conducted an in-depth analysis of our water consumption throughout 1,533 buildings occupied by Bell. The analysis allowed us to estimate the overall water consumption to be approximately 1.2 million litres per year and identify specific buildings for improvement.

In our underground telecommunications network, we take numerous steps to prevent the release of manhole effluents that could have been contaminated by third-party accidental releases or by non-point sources such as street runoffs. We train team members on appropriate pumping procedures; employ accredited, licensed suppliers to pump contaminated effluents from manholes, remove sediment and dispose of it appropriately; use non-metallic ladders and cable supports in manholes to prevent or reduce the release of metals into the water; and continue to install sealed manhole covers to limit the infiltration of water and sediment.

VISUAL APPEARANCE



Bell installed one of these disguised towers in 2011 and others in early 2012. The tree towers are between 25 and 29 metres tall and are positioned to blend with existing trees.

We work with utility companies to share infrastructure and minimize clutter. We also innovate to minimize visual obstructions by, for instance, introducing a pilot project to install cell towers designed to look like pine trees.

Bell installed one of these disguised towers in 2011 and others in early 2012. The tree towers are between 25 and 29 metres tall and are positioned to blend with existing trees. Bell's initiative is the first time in Canada that the pine tree design has been used. We plan to install 22 of these towers in communities such as Muskoka and the Georgian Bay area in Ontario.

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BIODIVERSITY

We stopped using pesticides for aesthetic purposes on our properties in 2002, ahead of legislation.

We conduct environmental assessments of network projects and apply mitigation measures to minimize any potential impact on wildlife habitats, flora and communities, and obtain regulatory approvals as required. These include projects in environmentally sensitive areas such as wetlands, waterways, provincial and national parks and First Nations reserves. For instance, we avoid the use of treated wood poles in sensitive natural areas.

ENVIRONMENTAL SITE ASSESSMENTS

We conduct environmental site assessments and remediation projects where necessary to minimize soil and groundwater contamination, reducing our exposure to environmental liabilities. These assessments are conducted during real estate transactions, upon the discovery of a contamination, or at the end of an operational activity that may have contaminated a site.

PETROLEUM STORAGE TANKS

Bell owns 2,233 petroleum storage tanks that are used to provide fuel to heat buildings or to run backup generators for its telecommunications equipment; 89% of tanks are above ground, 11% underground, and all are equipped with spill prevention devices and leak detection systems.

We rigorously manage and monitor our petroleum storage tanks and equipment in order to maintain their integrity and prevent accidental spills. Compliance audits are conducted as required by regulations or at a minimum of once a year.

We experienced no significant releases from Bell petroleum storage tanks in 2011.

OZONE-DEPLETING SUBSTANCES

We upgrade and monitor our refrigeration and fire suppression systems to reduce the possibility of a release of ozone-depleting substances (ODS). Among many considerations, the program takes into account equipment life span, leak rates, trends and root causes, and repair rates. In 2011, we measured a reduction of 16% in the quantity of ODS releases.

ENVIRONMENTAL INCIDENTS

Our 24/7 process provides support for the reporting, control and remediation of all environmental incidents, including third-party concerns and governmental inquiries. We take great care in managing incidents and acting on the root cause of problems. We require our team members to report all incidents regardless of the quantity spilled or the level of impact, whether they occur on or outside our own premises.

In 2011, we had:

- Six notices of environmental infraction that were administrative in nature, and one environmental infraction that resulted in a fine of \$1,473 from the Ministry of Natural Resources for unauthorized tree trimming during a network project
- 353 spills and releases reported by our employees (88% were related to leaks of ozone-depleting substances from cooling equipment). Of these, 270 (65%) were below government reporting thresholds
- 13 concerns reported by a third party

There were no material environmental incidents or infractions.

ENVIRONMENTAL TRAINING

The foundation of Bell's environmental initiatives is the awareness and training we provide to team members on how the company proactively manages its impact on the environment. More than 8,300 team members received such training in 2011, totalling more than 13,900 hours.

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OUR WORKFORCE



Let's talk stimulating workplace standards

- Workplace
- Best place to work
- Employee engagement

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WORKPLACE

Recognizing that our ongoing success depends on our team, Bell makes every effort to provide a work environment that ensures the health and safety of our team members as well as enabling them to contribute to their potential to Bell's growth.

Those efforts include strict adherence to workplace standards for safety, equity and diversity, the creative use of office environments to encourage collaboration and productivity, and competitive compensation policies that reward achievement and recognize outstanding effort.

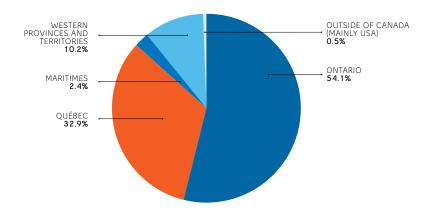
Bell had 48,550 team members at the end of 2011. The increase over 2010 is due to the acquisition of CTV, now part of Bell Media, as well as to our growing team in field operations to support broadband fibre expansions, Fibe TV installations and service quality initiatives.

Our team members are primarily located in Québec, Ontario, Alberta and British Columbia.

WORKFORCE

	2011	2010	2009
Number of employees – Year end (in thousands)	48.6	42.9	42.8
Unionized employees at Bell (%)	43	42	42
Voluntary turnover rate (%)	11	10	10

HEADCOUNT PER PROVINCE



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Our team members work every day to build an open and inclusive culture, and rigorously adhere to and promote employment equity as an important aspect of our diversity.

WORKFORCE COMPOSITION¹

	2011	2010	2009
Women	42.5	43.4	44.1
Men	57.5	56.6	55.9
Aboriginal peoples	1.0	1.0	1.0
Persons with disabilities	1.4	1.4	1.5
Members of visible minorities	16.3	15.9	16.4

SENIOR MANAGEMENT^{1, 2}

(70)	2011	2010	2009
Women	21.9	18.2	20.0
Men	78.1	81.8	80.0
Aboriginal peoples	0.9	_	_
Persons with disabilities	0.9	0.8	0.9
Members of visible minorities	3.5	4.1	4.3

¹ Results include Bell Canada, Bell Mobility, Bell TV and BCE Inc. and they are based on permanent full- and part-time employees who have completed the employment equity and diversity self-identification questionnaire

BEST PLACE TO WORK

Working for Bell means joining a dynamic company focused on achieving one goal: To be recognized by customers as Canada's leading communications company. We're cultivating a high-performance culture where team members are passionate about what they do, are creative, highly motivated and drive outstanding results. Bell team members constantly strive to deliver business initiatives that result in strategic, competitive advantages.

OUR CODE OF BUSINESS CONDUCT

In our daily activities, there are a broad spectrum of issues which may arise. When they do, we have a fundamental responsibility to address them. These include: preventing conflicts of interest; protecting company assets; safeguarding privacy and confidentiality; treating customers, business partners, team members and competitors with respect and honesty; fostering a diverse and safe workplace; and protecting the environment. This is why we place such high importance on every team member making a personal commitment to the Bell Code of Business Conduct.

All new team members are required to read the Code and complete a mandatory online training session related to it within 7 days of the date of their employment. Furthermore, all Bell team members are then required to review the Code every year and disclose any conflicts of interest.

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² Vice-Presidents and above

HUMAN RIGHTS, EMPLOYMENT EQUITY AND DIVERSITY

Bell complies with employment equity requirements and provides annual reports to Human Resources and Skills Development Canada (HRSDC) as required by the *Employment Equity Act*. Bell continuously assesses and reviews its policies and practices to support its employment equity program objectives.

Diversity at Bell is defined as unwavering respect for each other's uniqueness. Culture, ethnicity, gender, age, religion, disability, sexual orientation, education and experiences are just some of the many facets of diversity. Having a diverse workforce that is representative of our customers helps us better serve them, while enabling all of us at Bell to develop more meaningful working relationships with each other.

Bell team members are engaged in various forums that support diversity. Some of the more notable forums include:

- Women at Bell Established in 2007, the Women at Bell program, a broad-based collaborative community initiative, supports the development of our women leaders and promotes their visibility within Bell and the business community. We are dedicated to helping women reach their potential and see Bell as the best place to work.
- LGBT Affinity Group Established in 2009, the Bell Lesbian, Gay,
 Bisexual and Transgender (LGBT) Affinity Group has created an
 open and supportive network to help remove existing barriers and
 fears related to sexual orientation and identification. The program
 provides LGBT team members with support through informal mentoring
 and networking opportunities within the Bell LGBT and the larger
 LGBT communities. Participants in these resource groups benefit from
 networking opportunities, learning and development, and mentoring.

Northwestel was honoured as one of Canada's Best Diversity
 Employers in 2011 and 2012, recognizing the excellence of its workplace
 diversity and inclusiveness programs. Northwestel was singled out
 for its efforts to recruit and retain Aboriginal employees across
 its operating territory.



EMPLOYEE PRIVACY

Bell has a strong record in the protection of personal information of both customers and team members. We have had in place for some time clear guidelines that meet or exceed government standards for safeguarding information and managing access to it. These guidelines are reflected in Bell's Privacy Policy and the Code of Fair Information Practices.

Bell's privacy website provides team members with valuable information about their privacy rights including the definitions of privacy, the legal context and how personal information can be accessed. Team members can also ask questions which are promptly answered by the privacy coordinator.

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HEALTH & SAFETY AND WELLNESS

Bell is committed to ensuring that effective policies and practices are in place to protect its team members, contractors, customers and the public.

- In addition to over 100 supervisor-led information sessions, Bell offers over 40 formal health and safety courses through the Bell Career Development Centre, including accident prevention, first aid, defensive driving, confined space entry, ergonomics, and mental health at work.
 More than 40,000 hours of formal health and safety training were delivered in 2011.
- In 2011, Bell invested in training over 3,000 leaders and launched an
 online mental health training program for all Bell team members. Many
 events were also organized to heighten awareness about mental
 health; these included keynote speakers, lunch and learns and on-site
 kiosks. More information on these initiatives can be found in the Mental
 Health section of this report.
- In 2011, Bell provided more than 12,600 hours of training on security to more than 29,400 team members. These online or in-class courses cover such issues as protection of company assets, protection of data and information, identity theft and malware (viruses, Trojan horses, worms, etc.), physical access to company premises, emergency measures and first aid. We also launched a mandatory online course on emergency preparedness called Be Ready for all Bell team members.
- In support of the introduction of Bell's Preventing Violence in the Workplace Policy, 23,500 team members completed the training in 2011 to understand their role and the processes that will help maintain a safe working environment.
- Our safety management program extends to our contractors, ensuring they adhere to all the necessary standards, procedures and training to minimize the possibility of injury when conducting work, more specifically work in manholes or at heights.

On-duty accident and occupational disease costs (payments made by Bell to health and safety commissions in various provinces and payments made directly to employees) accounted for 0.39% of payroll in 2011. While this represents a slight increase over the previous year, the rate has been essentially stable since 2009 and is within our objective of 0.4% of payroll.

ON-DUTY ACCIDENTS & OCCUPATIONAL DISEASE COSTS

	2011	2010	2009
% of payroll*	0.39	0.38	0.37

 Payroll costs include base salaries, bonuses and taxable benefits up to a maximum percentage of insurable earnings. Data exclude Expertech and Bell Technical Services.

In 2012, our health and safety objective will be to evolve Bell's integrated management system to better align with health and safety best practices.

Bell has a comprehensive wellness program aimed at empowering employees with resources to make healthy lifestyle choices.

- We offer timely, professional assistance to support the well-being of team members and their families and also to manage personal issues related to their work, health and family life. In 2011, over 60 wellness seminars were offered to Bell team members enabling them to obtain valuable information to support their health and well-being.
- Bell also recognizes the importance of physical fitness, which is why it
 has negotiated attractive agreements with several fitness centres in
 Québec, Ontario and Western Canada. Moreover, certain Bell buildings
 are equipped with fitness centres and offer team members a free or
 discounted membership.

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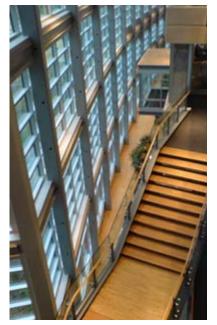
LIFE AT THE CAMPUS

A significant portion of Bell team members work out of the two major company campuses, one our corporate headquarters on Île des Sœurs in Verdun, just outside of downtown Montréal, and the other in Mississauga, Ontario. These campuses provide team members with state-of-the-art, environmentally sensitive facilities that maximize their productivity.

The design of both campuses reflects the changing nature of the workforce and the increasing demands for cross-functional collaboration and access to information anywhere on the property. To that end, they include many meeting rooms, including just-in-time rooms for spur-of-the-moment consultations, and common areas where larger cross-functional groups can gather. They are also filled with amenities such as large food courts with the most popular catering options available, fitness centres, outdoor facilities, banking, on-site day care and even a car wash, all of which ease the work-life balance of the Bell team.

Their design is an enhancement over traditional office environments, providing lots of natural light in keeping with European right-to-light standards and living green walls. The campuses are environmental models and LEED certified, meaning they meet internationally recognized standards for environmental responsibility in areas such as site sustainability, water and energy conservation, sustainable use of materials and resources, and quality of indoor spaces.







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EMPLOYEE ENGAGEMENT

ENGAGEMENT SURVEY

Bell measures the health of its workforce through the Bell Team Survey, which measures how team members feel about their job, their department and the company as a whole.

Survey participation is important for Bell as it provides a statistical measure of engagement across the organization. The results can be analyzed against various demographic categories, including level, geography and department. Bell leadership takes the survey results very seriously, using the data as a catalyst for action to improve various aspects of the environment or trigger conversations with employees to better understand the feedback.

The last survey conducted Bell-wide was in the fall of 2010. The overall score was 66%, an increase of four percentage points over 2009. The latest survey was conducted in the spring of 2012.

ENGAGING WITH UNIONS

Approximately 43% of Bell employees are represented by unions and covered by collective bargaining agreements.

During the negotiation process, relevant issues are discussed by management and union representatives. In addition, committees are established to monitor progress on specific issues such as sales incentives. In some cases, ad hoc committees are set up for specific mandates, such as benefits on retirement.

In 2011, we signed 7 collective agreements covering 5,547 team members. Details of those agreements are provided in the BCE 2011 Annual Information Form.

COMPENSATION AND BENEFITS

The total compensation package includes base salary, incentives and benefits. The base salary is a major portion of a team member's total compensation. Incentive plans are linked to the company's success, but also recognize individual achievement.

Bell rewards achievement through various incentive programs. Most managers, non-management and CEP Clerical and Associated employees are eligible for the Achievement Incentive Plan (AIP). The AIP is an important component of compensation, giving team members power to influence results by setting individual objectives that support the activities of their business unit. This plan measures personal performance separately from overall corporate performance so that top achievers can receive the highest possible payout for strong individual results.

Bell provides the Omniflex benefit program, which gives team members the flexibility to choose health, life and accident insurance most suited to their individual needs, and allows the purchase of vacation days. We offer a variety of plans to encourage and help employees build savings during their working years, including an Employer Registered Retirement Plan, a group RRSP and a share purchase plan. Bell also provides disability benefits and various other benefit plans, such as discounts on Bell's products and services.

Bell made voluntary special contributions to Bell's defined benefit pension plan of \$500 million in 2009, and \$750 million in each of 2010 and 2011. These contributions are strengthening our credit profile, improving cash flow and enhancing the security of pension benefits for all retirees and employees in the plan.

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EMPLOYEE RECOGNITION

Bell has three program levels to recognize exceptional achievements and success:

- Local recognition Business units sponsor programs to recognize everyday achievements within departments and workgroups.

 Typical rewards include gift certificates, movie tickets and thank-you cards.
- Business unit recognition Each business unit has a formal recognition program and presents awards each quarter. Winners are chosen by a recognition committee with members from all levels and functions within the unit.
- Bravo Awards Business unit leaders select their top contributing winners for a Bravo Award, Bell's highest honour. Winners are invited to attend the annual Bravo Gala where they are personally congratulated by George Cope,



President and CEO, and receive a cash prize and a trophy. In 2011, 47 individual team members and 114 members of 28 different teams won Bravo Awards.

EMPLOYEE SERVICE AWARD

Bell values the dedication and loyalty of its team members. The Employee Service Award Program recognizes team members as they reach specific milestones in their years of service.

LEARNING AND DEVELOPMENT

Bell invested over \$17 million in training in 2011 through our Career & Development Centre. Employees completed 253,000 hours of training either online or in face-to-face sessions on everything from job-specific technical subjects to broader career-building skills such as leadership. This equates to an average of 7.8 hours per team member.

Learning opportunities are available through a variety of channels, including the Career & Development Centre, where thousands of free online training courses are available on topics 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.



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Leadership development

Bell team members have access to our Leadership Development program – a combination of online and face-to-face learning aligned with the type of talent needed to support Bell's growth and success into the future. The learning focuses on topics such as effective communication, execution, people leadership and business acumen.

In 2011, our senior team renewed its focus on delivering learning to employees in key areas of the business. We conducted 165 executive-led learning sessions, impacting 3,600 attendees. In 2012, Bell will continue to strengthen and evolve its leadership development programming to support the unique learning needs of its team members.

Next-generation talent

Bell is investing in its future executives. We rigorously identify senior high-potential leaders and expose them to different developmental experiences, including career consultation, coaching services and targeted learning and development. For some, this includes access to a series of full-day learning sessions that are co-sponsored by our senior executive team to promote business acumen around a topic relevant to Bell's overall strategy. At the end of 2011, almost nine out of 10 (88%) of our next-generation directors were active in this program.

We also invest in both company-driven development programs that focus on capability building and engagement, as well as external executive education, such as Executive MBA or other intensive development or networking programs.



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ECONOMY

AN ACTIVE CONTRIBUTOR TO CANADA'S ECONOMY

By maintaining its strong financial performance, even while providing a steady stream of technological innovations, Bell is one of Canada's leading companies in the generation of wealth across the country through the creation of thousands of high-value jobs, the stimulation of business and commerce, and its contribution to the general state of the economy.

FINANCIAL INFORMATION

(\$ millions)

	2011	2010	2009
Revenue	17,133	15,669	15,020
Operating expenses	10,821	9,568	9,301
Capital expenditures	2,683	2,463	2,390

RESEARCH AND DEVELOPMENT

In 2011, BCE ranked second among Canada's Top 100 corporate spenders on research and development. This list is based on the R&D spending by all companies in 2010, a year in which BCE spent \$821 million on R&D, up 1.8% over 2009.



See www.researchinfosource.com

For additional information on Bell Canada, see the BCE Inc. 2011 Annual Report, the 2011 Annual Information Form and the Notice of 2012 Annual General Shareholder Meeting and Management Proxy Circular.





Annual Report

Proxy Circular



AIF

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REPORT PROFILE

FORMAT

To support our efforts to reduce our carbon footprint, this report is available in PDF format only and is designed to be easily read on a standard computer screen. A single-page highlight document is also available in PDF format. The Responsibility section of our website presents general information pertaining to our sustainability programs and provides access to specific policies. This report is formatted so that it can be interpreted by most screen readers used by the visually impaired.

SCOPE

The activities discussed in this report cover the period from January 1, 2011 to December 31, 2011. Unless otherwise stated, data is valid as at December 31, 2011.

This report contains Bell Canada data only. It excludes Bell Aliant, CTV and The Source, unless specified otherwise.

Bell Aliant data is available at bellaliant.ca

CONTENT

This report focuses mainly on the corporate responsibility issues that are of greatest importance to our stakeholders and that have a major influence on our business success. To encourage readership, we have made every effort to produce a concise and engaging document.

A Global Reporting Initiative (GRI) content index is available on our website to help readers access report content using the GRI G-3 structure. The index also reflects the United Nations Global Compact principles.

DATA COLLECTION AND VALIDATION

Information in this report was supplied by various subject matter experts (SMEs) within the company, while collection and validation of all report data were coordinated by our Corporate Responsibility and Environment group. SMEs were asked to supply and verify data, as well as to document their sources of information and how results were obtained.

Specific key performance results were verified by Golder Associates, an independent review agency. **Read the Review Statement**.

Emissions of greenhouse gases were verified by Enviro Accès, an independent review agency. **Read the Review Statement**.

As indicated in the text, we differentiate between exact figures and approximations or estimates in our reporting. All data provided is in international units.

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CAUTION REGARDING FORWARD-LOOKING STATEMENTS

Certain statements made in this report – including but not limited to statements relating to our 2012 objectives and other statements that are not historical facts – are forward-looking statements. Bell made several assumptions in preparing these forward-looking statements and there are risks that actual results will differ materially from those contemplated by our forward-looking statements. As a result, we cannot guarantee that any forward-looking statement will materialize and you are cautioned not to place undue reliance on these forward-looking statements.

For additional information on such assumptions and risks, please consult BCE's Annual Information Form dated March 14, 2012, BCE's 2011 annual management's discussion and analysis (MD&A) dated March 14, 2012, as updated in BCE's 2011 First Quarter MD&A dated May 3, 2012, and in BCE's press release dated May 3, 2012 announcing its financial results for the first quarter of 2012, all filed with the appropriate Canadian securities commissions and with the U.S. Securities and Exchange Commission (SEC), and which are also available on BCE's website.

Forward-looking statements made in this report represent BCE's expectations as of June 29, 2012, 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 any forward-looking statement, whether as a result of new information, future events or otherwise.

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ADDITIONAL INFORMATION

Visit bell.ca/responsibility for:

- GRI and Global Compact index
- Highlights of this report
- Financial performance
- Past reports

Cette publication est également disponible en français.

TRADE-MARKS

Aliant is a trade-mark of Bell Aliant Regional Communications, Limited Partnership. BCE is a trade-mark of BCE Inc. Bell, Bell Mobility, Bell TV, Bell Internet, Bell Media, and Fibe are trade-marks of Bell Canada. CTV is a trade-mark of Bell Media Inc. Expertech is a trade-mark of Expertech Network Installation Inc. The Source is a trade-mark of The Source (Bell) Electronics Inc.

GRI is a trade-mark of Stichting Global Reporting Initiative. Emblem Of The United Nations Global Compact (colour) is a trade-mark of The United Nations Global Compact/Le Pacte Mondial. FTSE4Good is a trade-mark of The London Stock Exchange PLC. Jantzi Social Index is a trade-mark of Michael Jantzi Research Associates Inc. GovernanceMetrics International is a trade-mark of Governance Holdings Co. BSI Registered & Heart Design is a trade-mark of British Standards Institution. LEED is a trade-mark of U.S. Green Building Council. Carbon Disclosure Project is a trade-mark of Carbon Disclosure Project. BOMA BESt & Design is a trade-mark of The Building Owners and Managers Association of Canada Inc. CAMH is a trade-mark of Centre for Addiction and Mental Health. AFP Association of Fundraising Professionals & Design is a trade-mark of Association of Fundraising Professionals. United Way is a trade-mark of United Way Centraide Canada. Walk for Kids Help Phone is a trade-mark of Kids Help Phone. ENERGY STAR is a trade-mark of United States Environmental Protection Agency. FSC is a trade-mark of Forest Stewardship Council, A.C. EICC is a trade-mark of Electronic Industry Citizenship Coalition, Inc. LTE is a trade-mark of European Telecommunications Standards Institute. Facebook is a trade-mark of Facebook, Inc. Twitter is a trade-mark of Twitter, Inc. Cisco is a trade-mark of Cisco Technology, Inc. Cybertip.ca & Design is a trade-mark of Canadian Centre For Child Protection Inc. Golder Associates is a trade-mark of Golder Associates Corporation.

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