Q4 2022 Results &
2023 Financial Guidance Call

February 2, 2023

Bell

Safe harbour notice

Certain statements made in this presentation are forward-looking statements. These forward-looking statements include, but are not limited to, statements relating to BCE's financial guidance (including revenues, adjusted EBITDA, capital intensity, adjusted EPS and free cash flow), BCE's 2023 annualized common share dividend and dividend payout ratio, BCE's network deployment plans and anticipated capital expenditures as well as the benefits expected to result therefrom, the potential impacts on our business, financial condition and financial results of economic conditions, the expectation of stable adjusted EBITDA margin in 2023, expected strong contribution from our Bell Communication and Technology Services (Bell CTS) segment to revenue and adjusted EBITDA growth, expected soft advertising demand and higher content cost in our media segment, our expected cash pension funding reflecting an expected full contribution holiday in 2023, the expected level of our net debt leverage ratio in 2023, the expectation that BCE's 2023 plan and anticipated free cash flow growth will support its common share dividend payments, BCE's business outlook, objectives, plans and strategic priorities, and other statements that are not historical facts. A statement we make is forward-looking when it uses what we know and expect today to make a statement about the future. Forward-looking statements are typically identified by the words *assumption*, *goal*, *guidance*, *objective*, *outlook*, *project*, *strategy*, *target* and other similar expressions or future or conditional verbs such as *aim*, *anticipate*, *believe*, *could*, *expect*, *intend*, *may*, *plan*, *seek*, *should*, *strive* and *will*. All such forward-looking statements are made pursuant to the 'safe harbour' provisions of applicable Canadian securities laws and of the United States *Private Securities Litigation Reform Act of 1995*.

Forward-looking statements, by their very nature, are subject to inherent risks and uncertainties and are based on several assumptions, both general and specific, which give rise to the possibility that actual results or events could differ materially from our expectations expressed in or implied by such forward-looking statements. These statements are not guarantees of future performance or events, and we caution you against relying on any of these forward-looking statements. For a description of such assumptions and risks, please consult BCE's Safe Harbour Notice Concerning Forward-Looking Statements dated February 2, 2023, to be filed with the Canadian provincial securities regulatory authorities (available at sedar.com) and with the U.S. Securities and Exchange Commission (available at sec.gov), and which is available on BCE's website at BCE.ca. For additional information, please refer to BCE's news release dated February 2, 2023 available on BCE's website.

The forward-looking statements contained in this presentation describe our expectations at February 2, 2023 and, accordingly, are subject to change after such date. Except as may be required by applicable securities laws, we do not undertake any obligation to update or revise any forward-looking statements contained in this presentation, whether as a result of new information, future events or otherwise.

Executing on 2022 strategic priorities

Financial performance

- 3.1% revenue and adjusted EBITDA[1] growth, contributed to 1.2% higher y/y net earnings
- Achieved close to mid-point of guidance for revenue and adjusted EBITDA growth, despite macroeconomic-related media advertising and B2B pressures
- $87M in inflationary cost pressures and storm recovery costs absorbed in 2022[2]

Capital acceleration to build the best networks

- Historic annual capex of $5,133M invested in 2022
- Delivering the fastest Internet, Wi-Fi and 5G mobile technologies in Canada[3]
- Bell's largest annual fibre buildout with 854K new locations delivered in 2022
- Approximately 80% of planned high-speed broadband Internet program now completed[4]
- Launched 5G+ network on 3.5 GHz spectrum to 58% of addressable population by year end[5]

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

(2) Inflationary cost pressures are defined as a year-over-year increase in operating costs driven by inflationary pressures related to fuel, utilities and salary expenses

(3) Visit Bell.ca for more information

(4) Baseline broadband buildout program based on a planned coverage footprint of approximately 10M residential and business locations

(5) Addressable population excludes population impacted by 5G restrictions near airports and areas where 3.5 GHz spectrum is not yet available due to timing. National coverage to 38% of total population

Executing on 2022 strategic priorities (cont'd)

High-value wireless subscribers

- 489,901 total mobile phone net additions in 2022, up 66.2%
- 41% of postpaid subscriber base on 5G-capable devices
- Strong wireless financials reflect focus on profitable growth and customer base management
  - 7.3% service revenue growth; adjusted EBITDA up 7.4%; 2.8% higher mobile phone ARPU(1) in 2022

Broadband growth & residential market share

- 296,162 new net retail Internet and IPTV subscribers added in 2022, up 29.7% y/y
- Best retail Internet net additions performance since 2006
- 8% residential Internet revenue growth in 2022
- Broadest Multi-Gig footprint with 3 Gbps+ symmetrical speeds available in 5M locations(2)

Digital-first media strategy

- Digital revenues(3) up 54% in 2022 and now represent 29% of total Bell Media revenue
- 3,124K Crave subscribers, up 6% y/y
- SAM TV(4) revenue up almost three-fold for a 2nd consecutive year

(1) Mobile phone blended ARPU is calculated by dividing wireless operating service revenue by the average mobile phone subscriber base for the specified period and is expressed as a dollar unit per month

(2) By the end of February 2023

(3) Digital revenues are comprised of advertising revenue from digital platforms including web sites, mobile apps, connected TV apps and OOH digital assets/platforms, as well as advertising procured through Bell digital buying platforms and subscription revenue from direct-to-consumer services and Video on Demand services

(4) SAM TV revenue represents revenues derived from Bell Media's broadcast TV ad buying optimization platform which gives customers the ability to plan, activate and measure marketing campaigns using Bell's premium first party data and TV inventory

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Executing on 2022 strategic priorities (cont'd)

Champion customer experience

- Significant CCTS improvement for the 7th consecutive year, leading all national service providers with a 38% decrease in customer complaints and a 17% y/y reduction in Bell's share of overall complaints(1)
- Industry recognition for MyBell, Virgin Plus My Account and Lucky Mobile My Account apps(2)
- Bell named most valuable communications brand in Canada(3)

Bell For Better

- #1 telecom company and #4 overall in Canada on the Best 50 Corporate Citizens list(4)
- Recognition by Canada's Clean50 awards for environmental innovation & accomplishment(5)
- Bell recognized as one of Canada's Top 100 employers(6)

(1) Commission for Complaints for Telecom-television Services (CCTS), Annual Reports 2016-2017 -- 2021-2022

(2) 2022 Mobile Web Awards; 2022 MarCom Awards; 2022 International Business Awards; 2022 Hermes Creative Awards; 2022 dotcom Awards

(3) Kantor BrandZ Most Valuable Canadian Brands 2022

(4) Corporate Knights' 2022 Best 50 Corporate Citizens in Canada

(5) Bell's solar-powered remote communication towers initiative was named one of the Clean50 Top Projects for 2023. The Clean50 Top Projects awards 2023 are primarily managed by Delta Management Group, a Canadian sustainability, ESG and clean tech focused search firm, that annually recognizes projects completed in the prior two years.

(6) Mediacorp Canada Inc.'s Canada's Top 100 Employers for 2022

Delivering on key strategic initiatives for the benefit of all customers, communities and investors

Q4 operating metrics

Bell Wireless

154,617
Postpaid net adds
Up 41.2% y/y
- Record quarterly mobile phone gross adds

41%
Postpaid subscribers with 5G-enabled devices
Up 19 pts y/y

$58.88
Blended ARPU
Up 0.5% y/y
- 7th consecutive quarter of growth

104,447
Mobile connected device net adds
Up 168% y/y

Bell Wireline

63,466
Retail Internet net adds
Up 33.3% y/y
- Best Q4 performance in 18 years
- ~70% of new activations on 1 Gig+

40,209
Retail IPTV net adds
Up 37.7% y/y
- Best quarterly result in nearly 7 years
- 26,026 Satellite net losses, up 2.9K

37,878
Retail residential NAS net losses
Down 2.3K y/y

39,623
Retail residential net adds
Up 155% y/y
- 4th positive quarter since Q3'21
- 1st positive full year since 2005

Bell Media

3.8%
Advertising revenue growth
- Digital revenues up 46% y/y

3,124K
Crave subscribers
Up 6% y/y
- Over 1M DTC subscribers, up 26%

TSN & RDS
#1 sports TV channels[1],[2]
- 4.8M viewers for FIFA World Cup Qatar 2022™ final, up 24% vs. 2018 final with highest average streams ever[3]

French Specialty/Pay
#1 overall & in primetime[4]
- 5 of top 10 channels among A25-54

(1) TSN: Numeris, P2+ Total Canada, Q4 2022
(2) RDS: Numeris, a25-54, French Quebec, Q4 2022
(3) TSN/CTV/RDS/Noovo, P2+, Total Canada, Q4 2022
(4) Numeris, P2+, French Quebec, Q4 2022

Strong Q4 execution across all key strategic priorities with positive operating momentum going into 2023

2023 strategic priorities

Build

Best networks & services

- **Generational network investments continue**
  - Capex beginning to decrease from peak spend in 2022, but remains elevated compared to pre-2020 levels at ~$4.8B for 2023
- **Growing FTTP footprint by ~650K locations in 2023**
  - ~85% of planned broadband buildout program completed by YE2023[1]
- **Mobile 5G to 85% of POPs in 2023; 5G+ on 3.5 GHz to 46%[2]**

Execute

Profitable growth

- **Leverage fibre speeds and latest products to capture high share of Internet and TV net adds**
- **Drive cross-sell penetration of Internet households with wireless**
- **Maintain momentum on higher-value mobile phone and 5G strategy**
- **Capitalize on new immigration levels**
- **Maintain B2B momentum and performance**
- **Continue to drive digital-first media strategy**

Transform

Operational Costs & Customer Experience

- **Continue to digitize the customer experience to scale online sales capabilities, automation and enhanced self-serve functionality**
- **Ongoing focus on costs to offset potential recession impacts**

2023 plan is anchored to our framework to Build, Execute & Transform, while supporting BCE's dividend growth model

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[1] Baseline broadband buildout program based on a planned coverage footprint of approximately 10M residential and business locations
[2] 5G+ on 3.5 GHz spectrum: 71% of addressable population

2023 dividend increase

5.2%

Common share dividend increase for 2023

- **5.2% increase for 2023 to $3.87 per share**
- **Effective with Q1 payment on April 17, 2023**
- **Dividend payout ratio[1] to remain above historical 65%-75% target range during broadband buildout program**
- **Supported by 2023 free cash flow[1] growth**

15th consecutive year of 5%+ dividend increase

[1] Dividend payout ratio is a non-GAAP ratio and free cash flow is a non-GAAP financial measure. Refer to section *Non-GAAP ratios* and section *Non-GAAP financial measures* in the Appendix for more information

Financial & Operating Results

Consolidated financial results

($M) except per share data	Q4'22	Y/Y	2022	Y/Y
Revenue	**6,439**	**3.7%**	**24,174**	**3.1%**
Service	5,353	2.1%	20,956	3.0%
Product	1,086	12.4%	3,218	3.8%
Adjusted EBITDA	**2,437**	**0.3%**	**10,199**	**3.1%**
Margin(1)	37.8%	(1.3 pts)	42.2%	0.0 pts
Net earnings	**567**	**(13.8%)**	**2,926**	**1.2%**
Statutory EPS	**0.58**	**(15.9%)**	**2.98**	**(0.3%)**
Adjusted EPS(2)	**0.71**	**(6.6%)**	**3.35**	**5.0%**
Capital expenditures (capex)	**1,638**	**(11.7%)**	**5,133**	**(5.8%)**
Capital Intensity(3)	25.4%	(1.8 pts)	21.2%	(0.5 pts)
Cash flows from operating activities	**2,056**	**18.0%**	**8,365**	**4.5%**
Free cash flow (FCF)	**376**	**64.2%**	**3,067**	**2.9%**

- **Strong Q4 revenue growth of 3.7%**
- **Q4 adjusted EBITDA growth positive**
  - $26M in storm costs & inflationary pressures absorbed
- **Net earnings and statutory EPS down 13.8% and 15.9%, respectively, in Q4**
  - Reflects $150M in asset impairment charges primarily at Bell Media
- **Q4 adjusted EPS of $0.71, down 6.6% mainly reflecting higher y/y interest expense**
- **Cash flows from operating activities up 18.0% in Q4, driven by reduced cash pension funding and higher working capital**
- **FCF up 2.9% in 2022, even with historical year for capex spending of $5,133M**

All 2022 financial guidance targets achieved

(1) Adjusted EBITDA margin is defined as adjusted EBITDA divided by operating revenues
(2) Adjusted EPS is a non-GAAP ratio. Refer to section *Non-GAAP ratios* in the Appendix to this document for more information on this measure
(3) Capital intensity is defined as capital expenditures divided by operating revenues

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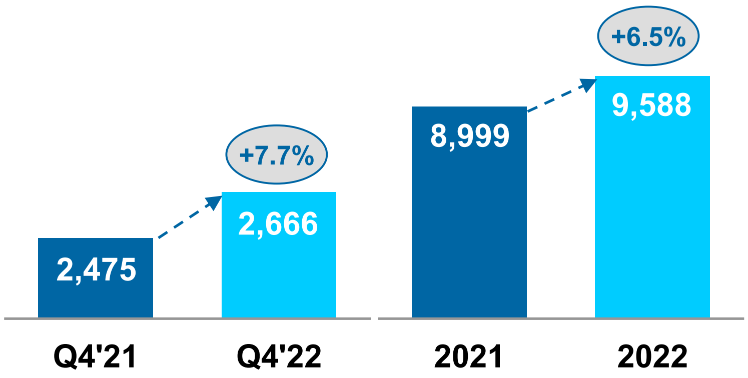
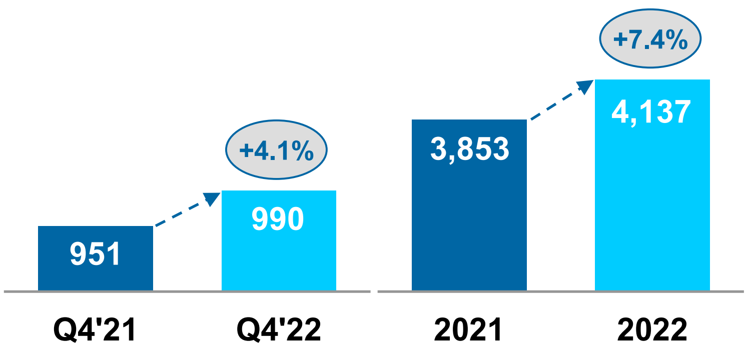
Wireless financials

Revenue ($M)



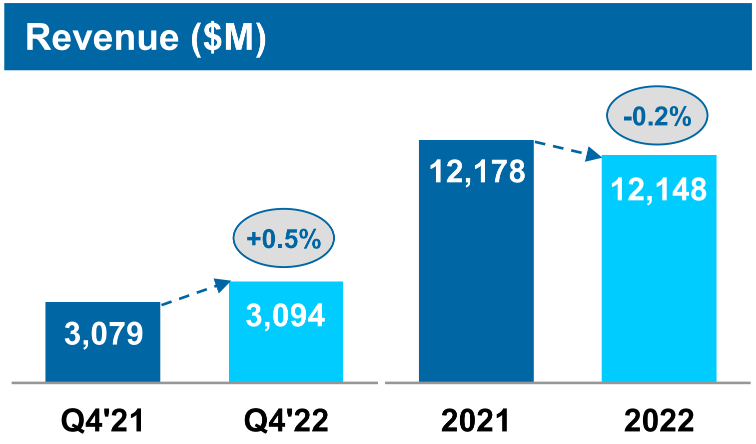
Adjusted EBITDA ($M)

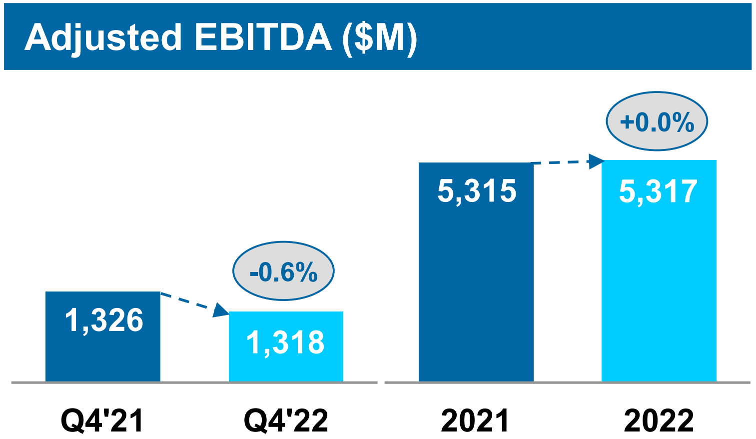


- **Service revenue increased 5.8% in Q4 on strong postpaid subscriber base growth and higher y/y roaming revenue**
- **Q4 product revenue up 11.7% y/y, driven by higher contracted transaction volumes**
- **Q4 adjusted EBITDA up 4.1% y/y**
  - 10.0% increase in operating costs reflects higher y/y promotional offer intensity, increased product sales and higher network operating expenses

Consistently strong quarterly wireless financial performance in 2022 with momentum going into 2023

Wireline financials



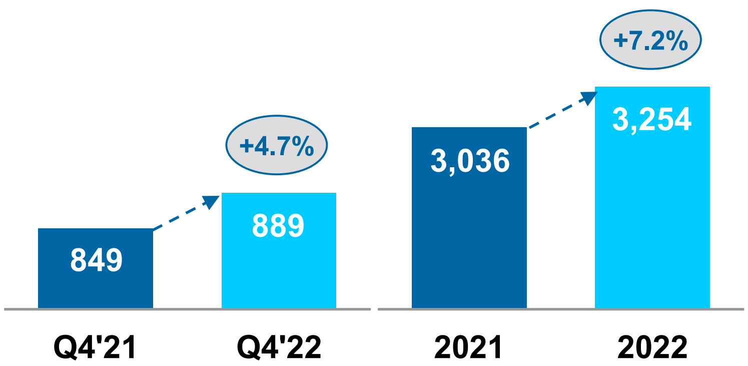


- **Residential Internet revenue up ~9% in Q4**
- **Q4 wireline product revenue up 17.2% despite ongoing global data equipment shortages**
- **Improved overall business wireline service revenue decline in Q4**
  - SMB revenue higher y/y
- **Adjusted EBITDA trajectory improving**
  - $23M of storm recovery and inflationary cost pressures absorbed in Q4

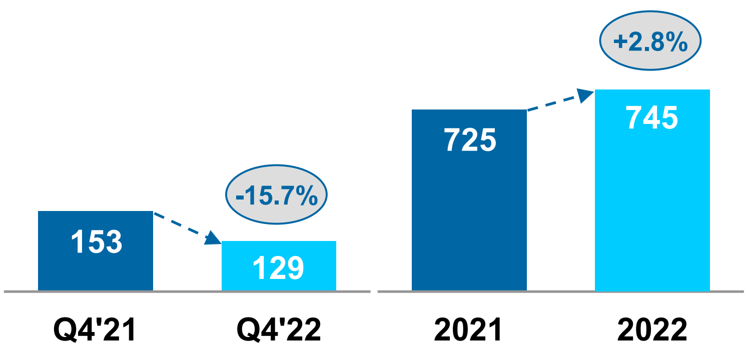
Residential wireline strength and operating cost efficiencies moderating financial impact of near-term macroeconomic pressures

Media financials

Revenue ($M)



Adjusted EBITDA ($M)

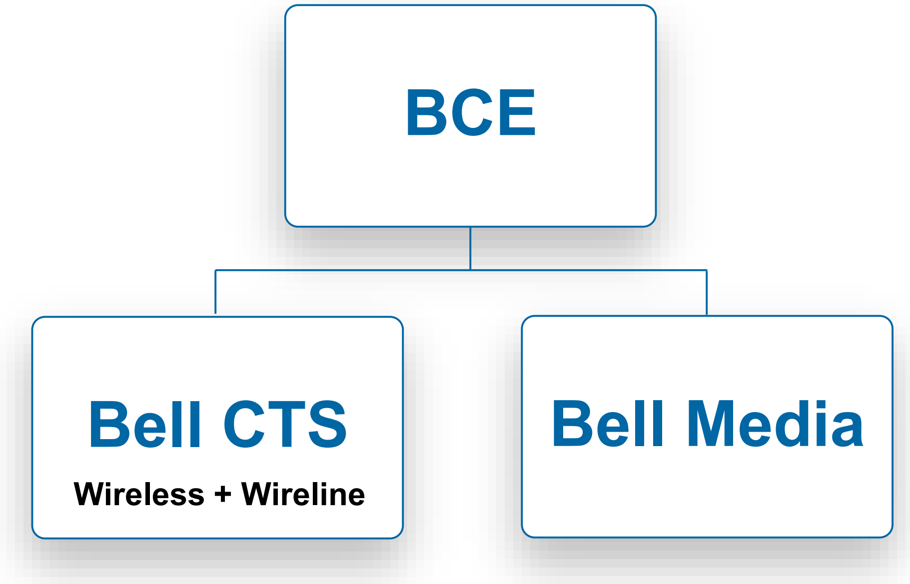


- **Total Q4 revenue 4.7% higher y/y**
- **Q4 advertising revenue up 3.8% y/y**
  - Record sales for FIFA World Cup Qatar 2022™
  - Continued y/y out of home improvement
- **Digital revenue up 46% in Q4 on Crave and TSN direct-to-consumer streaming growth and increased customer adoption of advanced advertising buying platforms**
- **Q4 adjusted EBITDA down 15.7% y/y**
  - 9.2% increase in operating costs reflects FIFA World Cup Qatar 2022™ broadcast rights and normalization of entertainment programming deliveries

Advertising revenue expected to remain soft through the first half of 2023 as economic conditions weigh on advertiser demand

2023 financial outlook

New reporting segmentation structure

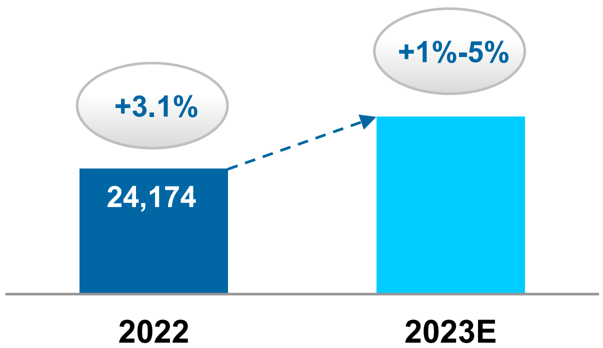


- **Wireless and Wireline operating segments being combined to create Bell Communication and Technology Services (Bell CTS)**
  - Wireless and Wireline service revenue and product revenue will continue to be reported separately
  - Adjusted EBITDA will be presented only for Bell CTS
  - No change to subscriber operating metrics disclosure
- **Aligns with organizational changes in 2022 and reflects how the telecom business is evolving**
- **No changes to Bell Media reporting**
- **Consolidated BCE results not affected**
  - No impact on underlying operating fundamentals
  - For comparability, 2022 operating segment results also being provided under new segmentation structure

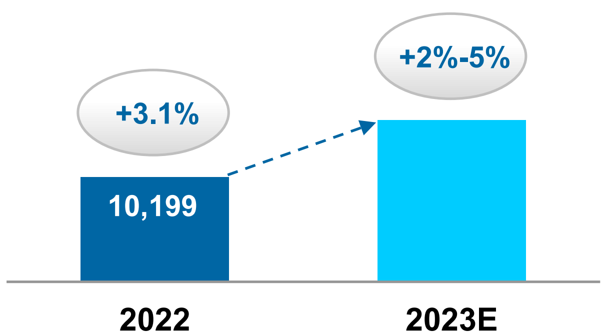
Changes effective with Q1’23 results

Revenue and adjusted EBITDA outlook

BCE revenue ($M)



BCE adjusted EBITDA ($M)

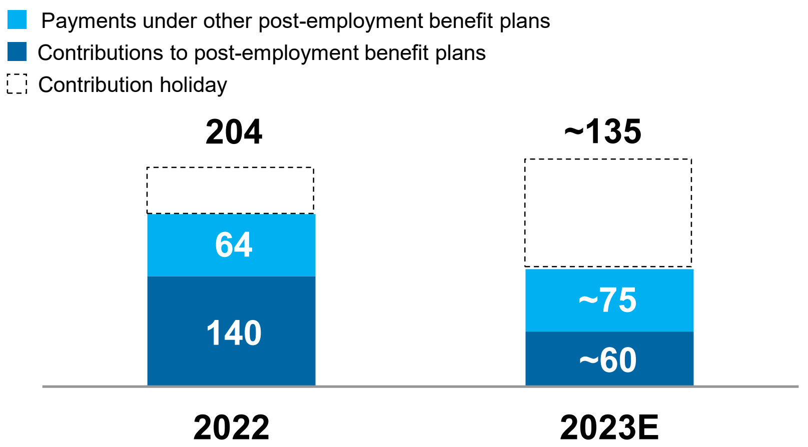


- **Growth ranges for 2023 remain wide to account for financial impact of a potential recession**
- **Strong CTS contribution underpinned by continued robust subscriber growth**
  - Accelerating 5G cycle, immigration growth and multi-product cross-sell to drive higher y/y wireless net adds
  - Further roaming improvement, but more moderate than 2022
  - Capitalize on fibre expansion and product leadership in the home to drive higher share of retail Internet and TV net adds
  - Business product sales recovery as year progresses
  - Distributel acquisition completed in December 2022
- **Media results in 2023 to reflect continued soft advertiser demand, higher y/y content costs and one-time subscriber revenue adjustment in 2022**
  - TV & radio advertising recovery expected in 2nd half of year
  - Continued strong digital advertising and Out of Home growth
- **Maintaining adjusted EBITDA margin stable y/y**
  - Fibre and digital transformation driving improved Customer Experience and lower cost to serve
  - Cost savings helping to mitigate legacy decline and macroeconomic pressures

Target growth ranges for 2023 consistent with 2022

Pension funding and expense

Total pension cash funding[1] ($M)



Total pension expense ($M)	2022	2023E
Post-employment benefit plans service cost[2]	249	~210
Net return on post-employment benefit plans	(51)	~(100)
	198	~110

[1] Total pension cash funding is a non-GAAP financial measure. Refer to section *Non-GAAP financial measures* in the Appendix in this document for more information on this measure.

[2] Included in operating costs, which impacts adjusted EBITDA

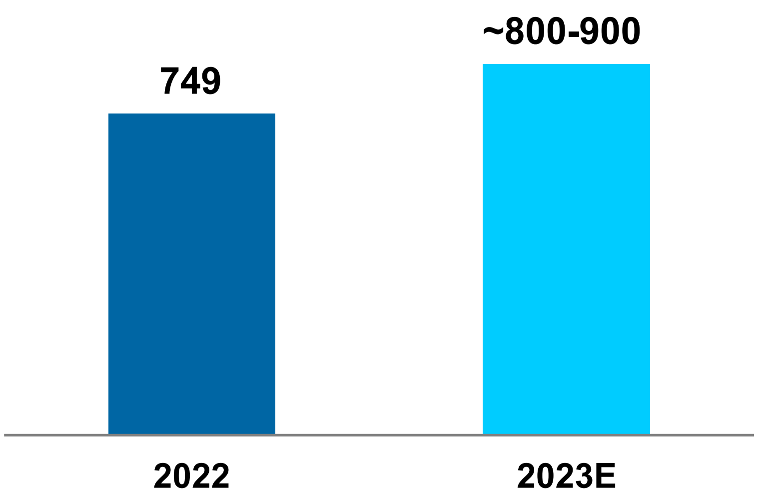
[3] Pension plan solvency ratio is defined as post-employment benefit assets on a solvency basis divided by post-employment benefit liabilities on a solvency basis, calculated in accordance with the Pension Benefits Standards Act, 1985 and its related regulation (PBSA). The Office of the Superintendent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

- **Solvency ratio[3] of ~117% at YE2022**
  - Solvency surplus of ~$3.3B
  - Net impact on solvency position from a 100 bps change in discount rate is ~$240M
- **Lower y/y cash funding in 2023 reflects full contribution holiday**
  - Cash savings of ~$230M in 2023 vs. $145M in 2022
  - Solvency ratio for each DB plan must consistently remain above 105% to maintain contribution holiday
- **2023 pension expense down y/y due to favourable impact of higher discount rate**

Full cash pension contribution holiday to be realized in 2023

Tax outlook

BCE income taxes paid ($M)



Income tax expense

- **2023 statutory tax rate unchanged y/y at 26.8%**
- **2023 effective tax rate of ~26%**
  - Income taxes of $967M in 2022 reflecting tax adjustments of 10¢ per share[1] vs. no tax adjustments in 2023

Income taxes paid

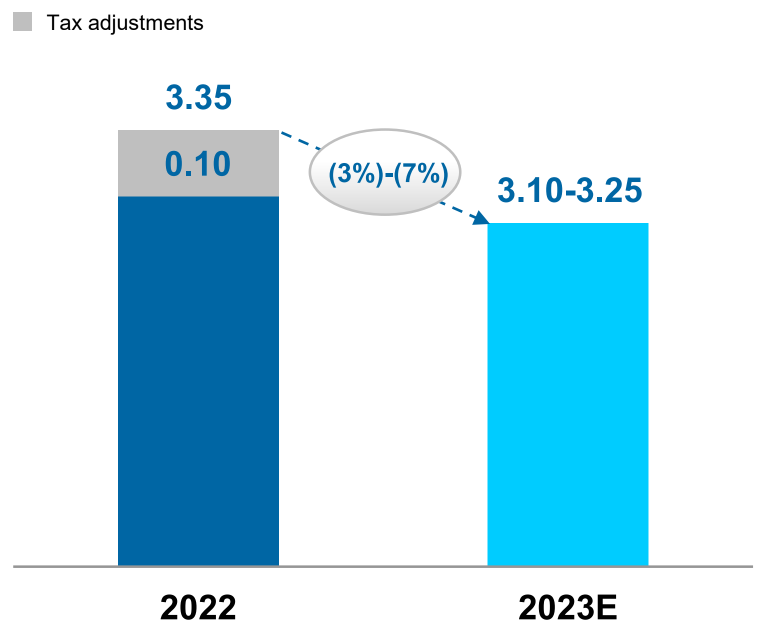
- **Cash tax savings in 2023 from federal government's accelerated CCA program similar to 2022**
- **Higher y/y taxable income in 2023**

Manageable increase in cash income taxes for 2023

[1] Tax adjustments per share is a non-GAAP ratio. Refer to section *Non-GAAP ratios* in the Appendix to this document for more information on this measure.

Adjusted EPS outlook

Adjusted EPS ($)



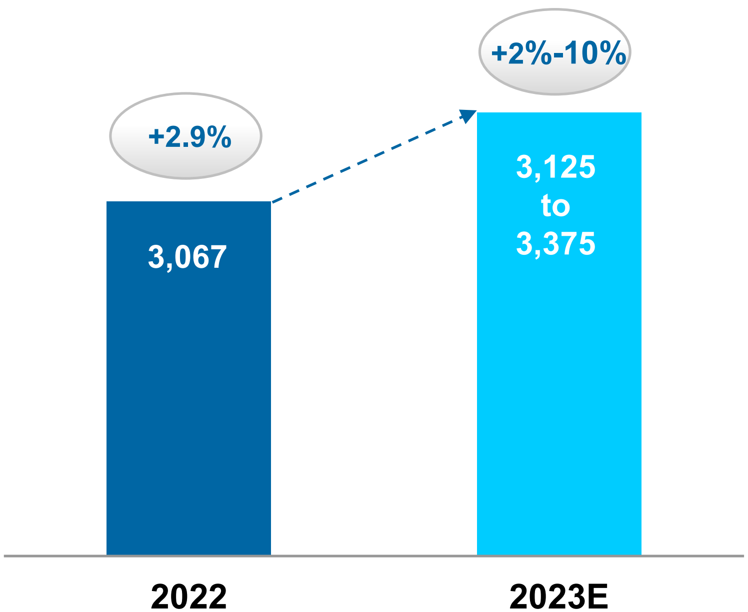
- Adjusted EBITDA growth and lower pension financing cost moderating y/y decline in adjusted net earnings[1]
- No tax adjustments in 2023, driving 10¢ of y/y adjusted EPS pressure
- Depreciation and amortization expense up ~$200M y/y, due to significant capex investments in broadband fibre and mobile 5G networks
- Interest expense up y/y on higher rates and higher average debt outstanding

2023 adjusted EPS growth impacted by non-recurrence of tax adjustments realized in 2022 and higher y/y interest expense

[1] Adjusted net earnings is a non-GAAP financial measure. Refer to section *Non-GAAP financial measures* in the Appendix to this document for more information on this measure.

Free cash flow outlook

Free cash flow ($M)



- **Flow-through from higher y/y adjusted EBITDA**
- **Lower y/y pension funding reflects full contribution holiday**
- **Capex and CI ratio lower y/y, but remain higher than pre-2020 annual levels**
  - Total capex in 2023 ~$300M lower y/y
- **Higher net interest paid, due to higher interest rates and higher debt outstanding**
- **Dividend payout remains above 65%-75% target range as generational capex spending continues**
  - Completion of planned baseline broadband Internet buildout program to 10M locations by end of 2025

FCF growth supports 5.2% dividend increase for 2023

Balance sheet and liquidity position

Available liquidity(1)

$3.5B

incl. $99M in cash

*At December 31, 2022

Net debt leverage ratio(1)

3.3x

*At December 31, 2022

Solvency ratio

~117%

*Aggregate of major BCE DB plans at December 31, 2022

- **$3.5B total available liquidity going into 2023**
- **Favourable debt maturity schedule allows for opportunistic pre-financing of post-2023 debt maturing and spectrum acquisitions**
  - $1B of 2023 MTN maturities were pre-financed and early redeemed in 2022
  - Low annual after-tax cost of public debt of 2.9% with average term to maturity of ~13 years
- **Net debt leverage ratio expected to remain relatively stable in 2023**
- **Strong pension solvency surplus enabling annual cash funding reduction of $200M+**

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

Strong balance sheet and financial position support execution of strategic priorities and capital markets objectives in 2023

Financial targets for 2023

BCE	2022 guidance	2022 results	2023 guidance
Revenue growth	1% to 5%	3.1%	1% to 5%
Adjusted EBITDA growth	2% to 5%	3.1%	2% to 5%
Capital intensity(1)	~21%	21.2%	19% to 20%
Adjusted EPS growth(2)	2% to 7%	5.0%	(3%) to (7%)
Free cash flow growth(1),(3)	2% to 10%	2.9%	2% to 10%
Annual common share dividend(4)	$3.68	$3.68	$3.87

(1) In Q2 2022, we applied the IFRIC Agenda Decision on Demand Deposits with Restrictions on Use arising from a Contract with a Third Party (IAS 7 – Statement of Cash Flows) retrospectively to each prior period presented. For further details, refer to Note 2, *Basis of presentation and significant accounting policies* in BCE's Q3 2022 Consolidated Interim Financial Statements.

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

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

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

Financial targets reflect sound operating fundamentals, a strong competitive position and confidence in our business outlook despite potential recession impacts in 2023

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Appendix

Key financial assumptions for 2023

BCE ($M except per share data)	2022	2023E
Post-employment benefit plans service cost	249	~210
Net return on post-employment benefit plans	51	~100
Depreciation & amortization expense	4,723	~4,900 to 4,950
Interest expense	1,146	~1,375 to 1,425
Average effective tax rate	24.8%	~26%
Non-controlling interest	58	~65
Payments under other post-employment benefit plans	64	~75
Contributions to post-employment benefit plans	140	~60
Income taxes paid (net of refunds)	749	~800 to 900
Interest paid	1,197	~1,400 to 1,450
Weighted average BCE common shares outstanding	911.5	~914
Annual common share dividend	$3.68	$3.87

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Non-GAAP and other financial measures

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

National Instrument 52-112, *Non-GAAP and Other Financial Measures Disclosure* (NI 52-112), prescribes disclosure requirements that apply to the following specified financial measures:

- Non-GAAP financial measures;
- Non-GAAP ratios;
- Total of segments measures;
- Capital management measures; and
- Supplementary financial measures.

This Appendix provides a description and classification of the specified financial measures contemplated by NI 52-112 that we use in this presentation to explain our financial results except that, for supplementary financial measures, an explanation of such measures is provided where they are first referred to in this presentation if the supplementary financial measures' labelling is not sufficiently descriptive.

Non-GAAP Financial Measures

A non-GAAP financial measure is a financial measure used to depict our historical or expected future financial performance, financial position or cash flow and, with respect to its composition, either excludes an amount that is included in, or includes an amount that is excluded from, the composition of the most directly comparable financial measure disclosed in BCE's consolidated primary financial statements. We believe that non-GAAP financial measures are reflective of our on-going operating results and provide readers with an understanding of management's perspective on and analysis of our performance.

Below are descriptions of the non-GAAP financial measures that we use in this presentation to explain our results as well as reconciliations to the most comparable IFRS financial measures.

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

Non-GAAP Financial Measures (cont'd)

Adjusted net earnings

Adjusted net earnings is a non-GAAP financial measure and it does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers.

We define adjusted net earnings as net earnings attributable to common shareholders before severance, acquisition and other costs, net mark-to-market losses (gains) on derivatives used to economically hedge equity settled share-based compensation plans, net equity losses (gains) on investments in associates and joint ventures, net losses (gains) on investments, early debt redemption costs, impairment of assets and discontinued operations, net of tax and NCI.

We use adjusted net earnings and we believe that certain investors and analysts use this measure, among other ones, to assess the performance of our businesses without the effects of severance, acquisition and other costs, net mark-to-market losses (gains) on derivatives used to economically hedge equity settled share-based compensation plans, net equity losses (gains) on investments in associates and joint ventures, net losses (gains) on investments, early debt redemption costs, impairment of assets and discontinued operations, net of tax and NCI. We exclude these items because they affect the comparability of our financial results and could potentially distort the analysis of trends in business performance. Excluding these items does not imply they are non-recurring.

The most directly comparable IFRS financial measure is net earnings attributable to common shareholders.

The following table is a reconciliation of net earnings attributable to common shareholders to adjusted net earnings on a consolidated basis.

($M)	**Q4 2022**	Q4 2021	**TOTAL 2022**	TOTAL 2021
Net earnings attributable to common shareholders	**528**	625	**2,716**	2,709
Reconciling items:				
Severance, acquisition and other costs	**19**	63	**94**	209
Net mark-to-market (gains) losses on derivatives used to economically hedge equity settled share-based compensation plans	**(27)**	(57)	**53**	(278)
Net equity losses on investment in associates and joint ventures	**-**	35	**42**	49
Net losses (gains) on investments	**29**	6	**(24)**	6
Early debt redemption costs	**-**	-	**18**	53
Impairment of assets	**150**	30	**279**	197
Income taxes for the above reconciling items	**(37)**	(9)	**(117)**	(48)
Non-controlling interest (NCI) for the above reconciling items	**(8)**	(1)	**(4)**	(2)
Adjusted net earnings	**654**	692	**3,057**	2,895

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

Non-GAAP Financial Measures (cont’d)

Available liquidity

Available liquidity is a non-GAAP financial measure and it does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers.

In Q3 2022, we updated our definition of available liquidity to exclude amounts available under committed credit facilities that may only be used for a pre-determined purpose given that such amounts are not for general use by our businesses. This update was made subsequent to a new committed non-revolving credit facility entered into in Q3 2022 that must exclusively be used to partly fund the expansion of our broadband networks as part of government subsidy programs. This change does not impact the available liquidity amounts previously presented.

We define available liquidity as cash, cash equivalents and amounts available under our securitized receivables program and our committed bank credit facilities, excluding credit facilities that are available exclusively for a pre-determined purpose.

We consider available liquidity to be an important indicator of the financial strength and performance of our businesses because it shows the funds available to meet our cash requirements, including for, but not limited to, capital expenditures, post-employment benefit plans funding, dividend payments, the payment of contractual obligations, maturing debt, on-going operations, the acquisition of spectrum, and other cash requirements. We believe that certain investors and analysts use available liquidity to evaluate the financial strength and performance of our businesses. The most directly comparable IFRS financial measure is cash.

The following table is a reconciliation of cash to available liquidity on a consolidated basis.

($M)	December 31, 2022	December 31, 2021
Cash	99	289
Cash equivalents	50	-
Amounts available under our securitized trade receivables program(1)	700	400
Amounts available under our committed bank credit facilities(2)	2,651	2,789
Available liquidity	3,500	3,478

(1) At December 31, 2022 and December 31, 2021, respectively, $700 million and $400 million was available under our securitized receivables program, under which we borrowed $1,588 million and $900 million as at December 31, 2022 and December 31, 2021, respectively. Loans secured by receivables are included in *Debt due within one year* in our consolidated financial statements.

(2) At December 31, 2022 and December 31, 2021, respectively, $2,651 million and $2,789 million were available under our committed bank credit facilities, given outstanding commercial paper of $627 million in U.S. dollars ($849 million in Canadian dollars) and $561 million in U.S. dollars ($711 million in Canadian dollars) as at December 31, 2022 and December 31, 2021, respectively. Commercial paper outstanding is included in *Debt due within one year* in our consolidated financial statements.

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

Non-GAAP Financial Measures (cont'd)

Free cash flow

Free cash flow is a non-GAAP financial measure and it does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers.

We define free cash flow as cash flows from operating activities, excluding cash from discontinued operations, acquisition and other costs paid (which include significant litigation costs) and voluntary pension funding, less capital expenditures, preferred share dividends and dividends paid by subsidiaries to NCI. We exclude cash from discontinued operations, acquisition and other costs paid and voluntary pension funding because they affect the comparability of our financial results and could potentially distort the analysis of trends in business performance. Excluding these items does not imply they are non-recurring.

We consider free cash flow to be an important indicator of the financial strength and performance of our businesses. Free cash flow shows how much cash is available to pay dividends on common shares, repay debt and reinvest in our company. We believe that certain investors and analysts use free cash flow to value a business and its underlying assets and to evaluate the financial strength and performance of our businesses. The most directly comparable IFRS financial measure is cash flows from operating activities.

The following table is a reconciliation of cash flows from operating activities to free cash flow on a consolidated basis.

($M)	**Q4 2022**	Q4 2021	**TOTAL 2022**	TOTAL 2021
Cash flows from operating activities	**2,056**	1,743	**8,365**	8,008
Capital expenditures	**(1,638)**	(1,466)	**(5,133)**	(4,852)
Cash dividends paid on preferred shares	**(42)**	(32)	**(136)**	(125)
Cash dividends paid by subsidiaries to NCI	**(3)**	(45)	**(39)**	(86)
Acquisition and other costs paid	**3**	29	**10**	35
Free cash flow	**376**	229	**3,067**	2,980

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

Non-GAAP Financial Measures (cont'd)

Net debt

Net debt is a non-GAAP financial measure and it does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers.

We define net debt as debt due within one year plus long-term debt and 50% of preferred shares, less cash and cash equivalents, as shown in BCE's consolidated statements of financial position. We include 50% of outstanding preferred shares in our net debt as it is consistent with the treatment by certain credit rating agencies.

We consider net debt to be an important indicator of the company's financial leverage because it represents the amount of debt that is not covered by available cash and cash equivalents. We believe that certain investors and analysts use net debt to determine a company's financial leverage.

Net debt is calculated using several asset and liability categories from the statements of financial position. The most directly comparable IFRS financial measure is long-term debt. The following table is a reconciliation of long-term debt to net debt on a consolidated basis.

($M)	**December 31 2022**	December 31 2021
Long-term debt	**27,783**	27,048
Debt due within one year	**4,137**	2,625
50% of preferred shares	**1,935**	2,002
Cash	**(99)**	(289)
Cash equivalents	**(50)**	-
Net debt	**33,706**	31,386

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

Non-GAAP Financial Measures (cont'd)

Tax adjustments

Tax adjustments is a non-GAAP financial measure and it does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers.

We define tax adjustments as income taxes as shown in BCE's consolidated income statements, less current taxes, less deferred taxes relating to the origination and reversal of temporary differences, and less the recognition and utilization of loss carryforwards.

We use tax adjustments, and we believe that certain investors and analysts use this measure, among other ones, to explain year-over-year trends in income taxes, net earnings, income taxes paid and cash flows. This measure is also used in the calculation of tax adjustments per share, which is a non-GAAP ratio. For further details on tax adjustments per share, refer to section *Non-GAAP ratios* below.

The most directly comparable IFRS financial measure is income taxes. The following table is a reconciliation of income taxes to tax adjustments on a consolidated basis.

($M)	**2022**	2021
Income taxes	**(967)**	(1,044)
Current taxes[1]	**878**	872
Deferred taxes:		
Deferred taxes relating to the origination and reversal of temporary differences[1]	**176**	184
Recognition and utilization of loss carryforwards [1]	**4**	21
Tax adjustments	**91**	33

(1) Disclosed within the *Income taxes* note in our annual consolidated financial statements

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

Non-GAAP Financial Measures (cont'd)

Total pension cash funding

Total pension cash funding is a non-GAAP financial measure and it does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers.

We define total pension cash funding as contributions to post-employment benefit plans plus payments under other post-employment benefit plans.

We use total pension cash funding and we believe that certain investors and analysts use this measure, among other ones, to determine the total impact of pension funding on our consolidated cash flows.

The most directly comparable IFRS financial measure is contributions to post-employment benefit plans.

The following table is a reconciliation of contributions to post-employment benefit plans to total pension cash funding.

($M)	2022	2021
Contributions to post-employment benefit plans	140	282
Payments under other post-employment benefit plans	64	65
Total pension cash funding	204	347

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

<u>Non-GAAP Ratios</u>

A non-GAAP ratio is a financial measure disclosed in the form of a ratio, fraction, percentage or similar representation and that has a non-GAAP financial measure as one or more of its components.

Adjusted EPS

Adjusted EPS is a non-GAAP ratio and it does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers.

We define adjusted EPS as adjusted net earnings per BCE common share. Adjusted net earnings is a non-GAAP financial measure. For further details on adjusted net earnings, refer to section *Non-GAAP Financial Measures* above.

We use adjusted EPS, and we believe that certain investors and analysts use this measure, among other ones, to assess the performance of our businesses without the effects of severance, acquisition and other costs, net mark-to-market losses (gains) on derivatives used to economically hedge equity settled share-based compensation plans, net equity losses (gains) on investments in associates and joint ventures, net losses (gains) on investments, early debt redemption costs, impairment of assets and discontinued operations, net of tax and NCI. We exclude these items because they affect the comparability of our financial results and could potentially distort the analysis of trends in business performance. Excluding these items does not imply they are non-recurring.

Dividend payout ratio

Dividend payout ratio is a non-GAAP ratio and it does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers.

We define dividend payout ratio as dividends paid on common shares divided by free cash flow. Free cash flow is a non-GAAP financial measure. For further details on free cash flow, refer to section *Non-GAAP Financial Measures* above.

We consider dividend payout ratio to be an important indicator of the financial strength and performance of our businesses because it shows the sustainability of the company's dividend payments.

Tax adjustments per share

Tax adjustments per share is a non-GAAP ratio and it does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers.

We define tax adjustments per share as tax adjustments per BCE common share. Tax adjustments is a non-GAAP financial measure. For further details on tax adjustments, refer to section *Non-GAAP financial measures* above.

We use tax adjustments per share, and we believe that certain investors and analysts use this measure, among other ones, to explain year-over-year trends in income taxes, net earnings, income taxes paid and cash flows.

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

Total of Segments Measures

A total of segments measure is a financial measure that is a subtotal or total of 2 or more reportable segments and is disclosed within the Notes to BCE's consolidated primary financial statements.

Adjusted EBITDA

Adjusted EBITDA is a total of segments measure. We define adjusted EBITDA as operating revenues less operating costs as shown in BCE's consolidated income statements.

The most directly comparable IFRS financial measure is net earnings. The following table is a reconciliation of net earnings to adjusted EBITDA on a consolidated basis.

($M)	Q4 2022	Q4 2021	2022	2021
Net earnings	567	658	2,926	2,892
Severance, acquisition and other costs	19	63	94	209
Depreciation	922	925	3,660	3,627
Amortization	270	251	1,063	982
Finance costs				
Interest expense	319	275	1,146	1,082
Net (return) interest on post-employment benefit plans	(13)	5	(51)	20
Impairment of assets	150	30	279	197
Other (income) expense	(19)	(26)	115	(160)
Income taxes	222	249	967	1,044
Adjusted EBITDA	**2,437**	**2,430**	**10,199**	**9,893**

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

<u>Capital management measures</u>

A capital management measure is a financial measure that is intended to enable a reader to evaluate our objectives, policies and processes for managing our capital and is disclosed within the Notes to BCE's consolidated financial statements.

The financial reporting framework used to prepare the financial statements requires disclosure that helps readers assess the company's capital management objectives, policies, and processes, as set out in IFRS in IAS –1 – *Presentation of Financial Statements*. BCE has its own methods for managing capital and liquidity, and IFRS does not prescribe any particular calculation method.

Net debt leverage ratio

Net debt leverage ratio is a capital management measure. It represents net debt divided by adjusted EBITDA. Net debt used in the calculation of the net debt leverage ratio is a non-GAAP financial measure. For further details on net debt, refer to section *Non-GAAP Financial Measures* above. For the purposes of calculating our net debt leverage ratio, adjusted EBITDA is twelve-month trailing adjusted EBITDA.

We use, and believe that certain investors and analysts use, the net debt leverage ratio as a measure of financial leverage.

<u>Supplementary financial measures</u>

A supplementary financial measure is a financial measure that is not reported in BCE's consolidated financial statements, and is, or is intended to be, reported periodically to represent historical or expected future financial performance, financial position, or cash flows.

An explanation of such measures is provided where they are first referred to in this presentation if the supplementary financial measures' labelling is not sufficiently descriptive.

<u>Key performance indicators (KPIs)</u>

We use adjusted EBITDA margin, blended ARPU, capital intensity, churn and subscriber units (or customers or NAS) to measure the success of our strategic imperatives. These key performance indicators are not accounting measures and may not be comparable to similar measures presented by other issuers.

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