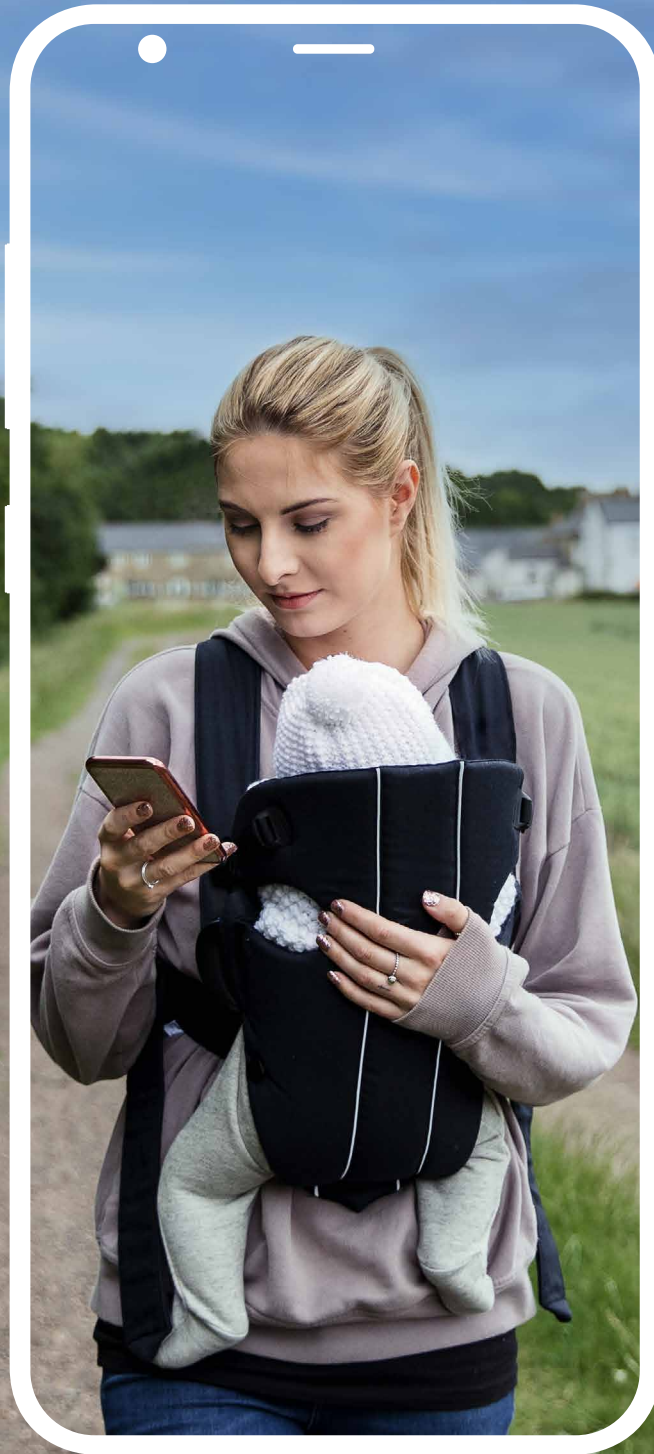


BCE TCFD REPORT ON CLIMATE-RELATED RISKS AND OPPORTUNITIES

MARCH 2022



BCE

About this report

BCE recognizes that maintaining transparency regarding the climate-related risks and opportunities affecting our business and disclosing our performance and initiatives on climate-related matters is critical to our stakeholders, and enables our investors to clearly understand the impacts of climate change on our business. As a result, with advice from KPMG LLP¹, we issue annually a stand-alone report to demonstrate our support for the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD), outline BCE's climate-related risks and opportunities, and explain how our focus on climate change strategy is aligned with the TCFD framework. This report is structured using the same 4 sections as the TCFD recommendations: Governance, Strategy, Risk Management, and Metrics and Targets. Although the TCFD recommends disclosure under the Strategy and Metrics and Targets sections only where such information is material, we are voluntarily reporting under these sections without limiting our disclosure to what is material to BCE.

This Report contains data about the BCE Inc. group of companies, referred to collectively in this Report as "BCE", "Bell", "we", "us", "our" or "the company" for the calendar period from January 1, 2021, to December 31, 2021, except if otherwise stated. To learn more about our sustainability and climate change performance, please refer to our [2021 Corporate Responsibility \(CR\) Report](#) and our [2021 Annual Report](#).

¹ Referred as "Third party firm" and "Third party verification"



Caution concerning forward-looking statements

Certain statements made in this TCFD Report are forward-looking statements. These forward-looking statements include, but are not limited to, statements relating to our business outlook, objectives, plans and strategic priorities, including, in particular, our objectives concerning energy savings and reductions in the level of our greenhouse gas (GHG) emissions including, without limitation, our plans to be carbon neutral for our operational GHG emissions starting in 2025 and to achieve science-based targets (SBTs) by 2030, our carbon abatement enablement objectives, business opportunities that could result from climate change and the potential positive impact thereof on our company, expected savings, the expected financial and operational impacts on our company of various climate-related events, 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*.

Unless otherwise indicated by us, the forward-looking statements contained in this TCFD Report describe our expectations as of March 3, 2022, 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 TCFD Report, whether as a result of new information, future events or otherwise.

Forward-looking statements, by their very nature, are subject to inherent risks and uncertainties and are based on several assumptions, both general and specific, which give rise to the possibility that actual results or events could differ materially from our expectations expressed in, or implied by, such forward-looking statements and that our business outlook, objectives, plans and strategic priorities may not be achieved. These statements are not guarantees of future performance or events, and we caution you against relying on any of these forward-looking statements. Forward-looking statements are presented in this TCFD Report for the purpose of assisting readers in understanding, in particular, certain key elements of our climate-related risks and opportunities and environmental, social and governance (ESG) objectives, and in obtaining a better understanding of our anticipated operating environment. Readers are cautioned, however, that such information may not be appropriate for other purposes.

We have made certain economic, market, operational and other assumptions in preparing the forward-looking statements contained in this TCFD Report. These assumptions include, without limitation, the assumptions described in this cautionary statement as well as in the sub-sections of [BCE's 2021 annual Management Discussion and Analysis \(MD&A\)](#) dated March 3, 2022 (BCE 2021 Annual MD&A) entitled *Assumptions*, which sub-sections are incorporated by reference in this cautionary statement. The BCE 2021 MD&A has been filed by BCE with the Canadian provincial securities regulatory authorities (available at [Sedar.com](#)) and with the U.S. Securities and Exchange Commission (available at [SEC.gov](#)), and is also available at [BCE.ca](#). Subject to various factors including, without limitation, the future impacts of the COVID-19 pandemic, which are difficult to predict, we believe that our assumptions were reasonable at March 3, 2022. If our assumptions turn out to be inaccurate, actual results or events could be materially different from what we expect.

Important risk factors that could cause actual results or events to differ materially from those expressed in, or implied by, the previously-mentioned forward-looking statements and other forward-looking statements contained in this TCFD Report, include, but not limited to: internal factors, such as the failure to implement sufficient corporate and business initiatives, as well as various external factors, which could challenge our ability to achieve our ESG targets including, without limitation, those related to GHG emissions reduction and diversity, equity and inclusion; the adverse effects of the COVID-19 pandemic including from the restrictive measures implemented or to be implemented as a result thereof and supply chain disruptions; adverse economic and financial market conditions, a declining level of retail and commercial activity, and the resulting

negative impact on the demand for, and prices of, our products and services; the intensity of competitive activity including from new and emerging competitors; the level of technological substitution and the presence of alternative service providers contributing to disruptions and disintermediation in each of our business segments; changing customer behaviour and the expansion of over-the-top (OTT) television (TV) and other alternative service providers, as well as the fragmentation of, and changes in, the advertising market; rising content costs and challenges in our ability to acquire or develop key content; the proliferation of content piracy; higher Canadian smartphone penetration and reduced or slower immigration flow; regulatory initiatives, proceedings and decisions, government consultations and government positions that affect us and influence our business including, without limitation, concerning the conditions and prices at which access to our networks may be mandated and spectrum may be acquired in auctions; the inability to protect our physical and non-physical assets from events such as information security attacks, unauthorized access or entry, fire and natural disasters; the failure to implement effective data governance; the failure to evolve and transform our networks, systems and operations using next-generation technologies, while lowering our cost structure; the inability to drive a positive customer experience; the failure to attract, develop and retain a diverse and talented team capable of furthering our strategic imperatives; labour disruptions and shortages; the failure to maintain operational networks; the risk that we may need to incur significant unplanned capital expenditures to provide additional capacity and reduce network congestion; the complexity in our operations; the failure to implement or maintain highly effective processes and information technology (IT) systems; events affecting the functionality of, and our ability to protect, test, maintain, replace and upgrade, our networks, IT systems, equipment and other facilities; in-orbit and other operational risks to which the satellites used to provide our satellite TV services are subject; our dependence on third-party suppliers, outsourcers, and consultants to provide an uninterrupted supply of the products and services we need; the failure of our vendor selection, governance and oversight processes, including our management of supplier risk in the areas of security, data governance and responsible procurement; the quality of our products and services and the extent to which they may be subject to defects or fail to comply with applicable government regulations and standards; the inability to access adequate sources of capital and generate sufficient cash flows from operating activities to meet our cash requirements, fund capital expenditures and provide for planned growth; uncertainty as to whether dividends will be declared by BCE's board of directors or whether the dividend on common shares will be increased; the inability to manage various credit, liquidity and market risks; new or higher taxes due to new tax laws or changes thereto or in the interpretation thereof, and the inability to predict the outcome of government audits; the failure to reduce costs, as well as unexpected increases in costs, and the inability to generate anticipated benefits from acquisitions and corporate restructurings; the failure to evolve practices to effectively monitor and control fraudulent activities; pension obligation volatility and increased contributions to post-employment benefit plans; unfavourable resolution of legal proceedings and, in particular, class actions; the failure to develop and implement strong corporate governance practices and compliance frameworks and to comply with legal and regulatory obligations; the failure to recognize and adequately respond to climate change and other environmental concerns and expectations; pandemics, epidemics and other health risks, including health concerns about radio frequency emissions from wireless communication devices and equipment; and the inability to adequately manage social issues.

These and other risk factors that could cause actual results or events to differ materially from our expectations expressed in, or implied by, our forward-looking statements are discussed in this TCFD Report as well as in section 9, *Business risks* of the BCE 2021 Annual MD&A, which section, and the other sections of the BCE 2021 Annual MD&A referred to therein, are incorporated by reference in this cautionary statement. Please also refer to other sections of this TCFD Report, including in particular sections 2.1 and 2.3, for a description of certain climate-related risks that could adversely affect our business operations, revenues or expenditures.

Forward-looking statements contained in this TCFD Report for periods beyond 2022 involve longer term assumptions and estimates than forward-looking statements for 2022 and are consequently subject to greater uncertainty. In particular, our GHG emissions reduction targets are based on a number of assumptions including, without limitation, the following principal assumptions: implementation of various corporate and business

initiatives to reduce our electricity and fuel consumption, as well as reduce other direct and indirect GHG emissions enablers; no new corporate initiatives, business acquisitions or technologies that would materially increase our anticipated levels of GHG emissions; our ability to purchase sufficient credible carbon credits and renewable energy certificates to offset or further reduce our GHG emissions, if and when required; no negative impact on the calculation of our GHG emissions from refinements in or modifications to international standards or the methodology we use for the calculation of such GHG emissions; no required changes to our SBTs pursuant to the Science Based Targets initiative (SBTi) methodology that would make the achievement of our updated SBTs more onerous; and sufficient supplier engagement and collaboration in setting their own SBTs and sufficient collaboration with partners in reducing their own GHG emissions.

Forward-looking statements for periods beyond 2022 further assume, unless otherwise indicated, that the risks described above and in section 9, *Business risks* of the BCE 2021 Annual MD&A will remain substantially unchanged during such periods, except for an assumed improvement in the risks related to the COVID-19 pandemic and general economic conditions in future years.

We caution readers that the risks described above are not the only ones that could affect us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also have a material adverse effect on our business, financial condition, liquidity, financial results or reputation. From time to time, we consider potential acquisitions, dispositions, mergers, business combinations, investments, monetizations, joint ventures and other transactions, some of which may be significant. Except as otherwise indicated by BCE, forward-looking statements do not reflect the potential impact of any such transactions or of special items that may be announced or that may occur after March 3, 2022. The financial impact of these transactions and special items can be complex and depends on the facts particular to each of them. We therefore cannot describe the expected impact in a meaningful way or in the same way we present known risks affecting our business.

Message from the Chair of the Board

FOCUSING ON CLIMATE CHANGE

Operating in a capital-intensive communications industry that requires significant and ongoing investment, BCE understands and appreciates how important it is for investors and other stakeholders to have insight into the strategic decisions and actions we are taking to address climate change.

Today, the real and potential impacts of climate change are top of mind for many stakeholders. Our investors, customers, team members and the communities we serve are increasingly looking for assurances that the businesses and organizations they support are taking action to deliver positive environmental outcomes and improved resiliency.

Throughout our 142-year history, Bell has always helped Canadians during challenging times, including the ongoing COVID-19 pandemic. We have also long been a leader in addressing environmental concerns, and the responsible and meaningful actions we are taking now on climate change reflect our Bell for Better commitment to the highest ESG standards and creating a thriving, prosperous and more connected world.

TRANSPARENCY AND OPENNESS

Climate change poses escalating challenges around the world. As recently highlighted by the World Economic Forum (WEF), global business leaders rank failure to act on climate change as the most severe risk that we face over the coming decade.

In this context, it is more important than ever for businesses to be open and transparent with all stakeholders – including the financial community and investors – about measures underway to address climate change. We must also ensure this information aligns with the reporting recommendations of international organizations focused on evaluating actions underway around the world.

Ranked by the global CDP organization in the “Leadership Band” for carbon disclosures for six years in a row, BCE further demonstrates the scope and scale of the actions we are taking to address climate change by aligning our reporting with recommendations made by the Task Force on Climate-related Financial Disclosures (TCFD) for the second consecutive year.

As part of this important TCFD report, we also incorporate assessments from the Intergovernmental Panel on Climate Change (IPCC), the leading international authority on the science of climate change, as well as findings from the IPCC’s Sixth Assessment Report released in September 2021.



MOVING FORWARD

With new greenhouse gas (GHG) emissions targets announced for Bell in 2021 – including the goal of achieving carbon neutral operations in 2025 and reducing absolute GHG emissions by 2030 in line with the Science Based Targets initiative (SBTi) – BCE continues to lead in supporting a more sustainable future.

Our ongoing fibre and 5G network deployments combined with the innovative services and solutions we provide are helping others (and ourselves) reduce harmful impacts to the environment while strengthening overall resiliency for our customers, communities, businesses and public service providers. BCE has also adopted a Sustainable Financing Framework to help raise capital to support our social and green investments, issuing Canada's first Sustainability Bond in 2021.

Backed by a strong management structure that ensures our business decisions align with our environmental objectives and are consistent with our commitment to ESG leadership, the BCE Board of Directors supports every measure Bell is taking to manage the risks and opportunities surrounding climate change. Aligning with key areas of guidance stipulated by the TCFD, we are pleased to provide the insights and transparency we know investors and other stakeholders welcome as we move forward with our purpose to advance how Canadians connect with each other and the world.



Gordon M. Nixon

Chair of the Board
BCE Inc.

Message from the President and CEO

OUR PIVOTAL ROLE

At Bell, our industry-leading investments in Canadian communications networks and services are enabling sustainable social and economic progress. We are empowering citizens, communities, businesses and governments to adopt the latest and best solutions with one overriding purpose – to advance how Canadians connect with each other and the world.

With a set of core strategic imperatives driving our investments – build the best networks; drive growth with innovative services; deliver the most compelling content; champion customer experience; operate with agility and cost efficiency; and engage and invest in our people and create a sustainable future – Bell today delivers the broadest range of benefits to the largest number of Canadians of any communications company in Canada.

We also view every decision we make through the lens of Bell for Better, our commitment to the highest ESG standards. With this commitment, we ensure our initiatives help create a better world, better communities and a better workplace, including actions that reduce harmful environmental impacts and strengthen resiliencies to climate change wherever and whenever possible.

BUILDING RESILIENCY

With over 23.5 million customer connections, Bell is always ready to respond effectively to any crisis. Just as the COVID-19 pandemic brought new focus on the importance of having robust, high-quality communications networks and services in place, climate change also poses near and long-term risks, including potentially disruptive impacts on how and where we live and work.

Keeping Canadians connected and informed throughout the COVID-19 pandemic while always supporting public health and safety, we went even further by accelerating the expansion of our pure fibre and 5G connections – the most awarded in Canada – and, in 2021, achieved rural broadband deployment targets a full year ahead of schedule.

We have also launched new and ambitious environmental targets, including our goal to continue reducing greenhouse gases (GHGs) at Bell and achieve carbon neutral operations in 2025, and we continue to ramp up the availability of smart tools and secure solutions that help households, communities and other businesses and organizations reduce their own carbon footprints.



Being more resilient and sustainable also means having a strong and talented team that is adaptable and always focused on customers and the communities we serve. Today, we provide extensive development and training opportunities and support greater diversity, equity and inclusion for Bell team members. We are also expanding mental health support in keeping with our leading Bell Let's Talk mental health initiative, and as we continue to adopt new and more flexible and sustainable ways of working, we remain consistently recognized as a top 100 employer in Canada as well as a top employer of young people.

LEADERSHIP THAT MATTERS

Our clearly defined strategies are driving our success in today's intensely competitive communications market. They also align how we operate overall with the need to reduce and mitigate risks associated with climate change as we further enable Canada's digital economy and strive to create a thriving, prosperous and more connected world.

Connecting Canadian households, businesses and public service providers for 142 years, Bell has always worked to build a stronger future for Canada. Today, Bell is pleased to be an industry leader in disclosing how we are addressing climate change risks – including the positive actions highlighted in this latest TCFD report – to drive responsible and sustainable growth forward for our customers, communities, team members and investors.



Mirko Bibic

President and Chief Executive Officer
BCE Inc. and Bell Canada

Summary snapshot of our alignment with TCFD recommendations

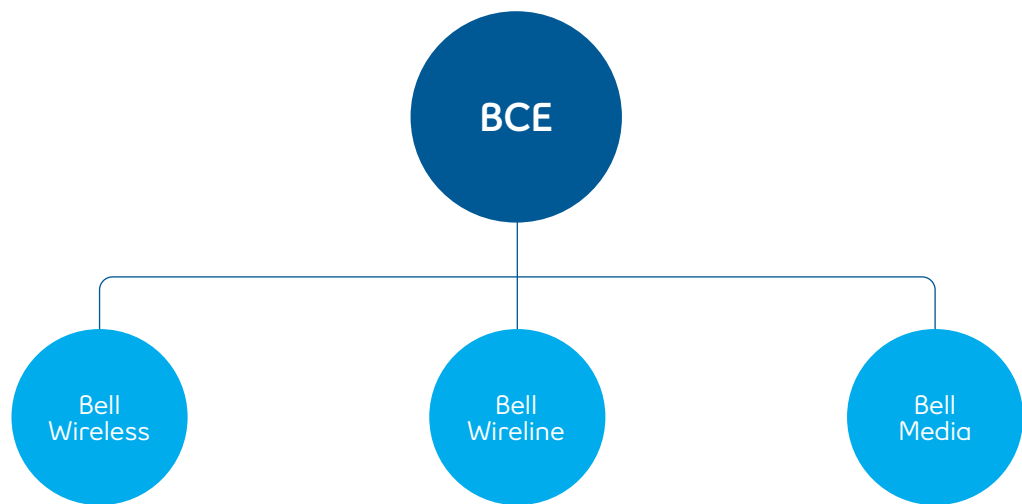
TCFD recommendations	Recommended disclosures	Bell's disclosure alignment
Governance ✓ ALIGNED Disclose the organization's governance around climate-related risks and opportunities	a) Describe the board's oversight of climate-related risks and opportunities b) Describe management's role in assessing and managing climate-related risks and opportunities	Board committee oversight, Section 1.1 (p. 16) Management leadership, Section 1.2 (p. 16)
Strategy ✓ ALIGNED Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long-term b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Climate-related risks, Section 2.1 (p. 21) Climate-related opportunities, Section 2.2 (p. 23) Impact of climate-related risks and opportunities on our strategy and financial planning, Section 2.4 (p. 29) Processes for managing climate-related risks, Section 3.2 (p. 33) Climate scenario analysis, Section 2.3 (p. 25)
Risk management ✓ ALIGNED Disclose how the organization identifies, assesses, and manages climate-related risks	a) Describe the organization's processes for identifying and assessing climate-related risks b) Describe the organization's processes for managing climate-related risks c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	Processes for identifying and assessing climate-related risks, Section 3.1 (p. 30) Processes for managing climate-related risks, Section 3.2 (p. 33) Processes for identifying and assessing climate-related risks, Section 3.1 (p. 30)
Metrics and targets ✓ ALIGNED Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	Metrics to assess climate-related risks and opportunities, Section 4.1 (p. 35) Emissions targets and performance, Section 4.2 , GHG emissions (p. 36) Emissions targets and performance, Section 4.2 , Bell's GHG emissions reduction targets (p. 36)

Our report is also aligned with the [seven TCFD principles for effective disclosure](#).

Principles for effective disclosure	How we are addressing principles of effective disclosure
1 Disclosure should represent relevant information	<ul style="list-style-type: none">• Report aligned with the 11 TCFD recommendations and includes disclosure of our scope 3 emissions and results from our climate-related scenario analysis• Third party verification to ensure full alignment with TCFD recommendations and provide advice on relevant information to add over years• New scientific evidence from IPCC integrated in annual updates of this report
2 Disclosure should be specific and complete	<ul style="list-style-type: none">• Stand-alone report for a second year to demonstrate our support to the TCFD recommendations
3 Disclosure should be clear, balanced, and understandable	<ul style="list-style-type: none">• Report structured using the same four sections as the TCFD recommendations: Governance, Strategy, Risk Management, and Metrics and Targets
4 Disclosure should be consistent over time	<ul style="list-style-type: none">• Annual update of report, using the same structure and consistent metrics, with annual improvements• CDP reporting aligned with information in this report
5 Disclosure should be comparable among companies within a sector industry or portfolio	<ul style="list-style-type: none">• Report aligned with the 11 TCFD recommendations, using the same four sections as the TCFD recommendations, which is also used generally by the industry• Scenario analysis in disclosure of climate-related risks and opportunities developed and aligned with TCFD Technical supplement• GHG emissions calculated using ISO 14064 standards• Third party limited assurance provided on reported GHG emissions
6 Disclosure should be reliable, verifiable, and objective	<ul style="list-style-type: none">• Third party verification to ensure alignment with TCFD recommendations• Third party limited assurance provided on reported GHG emissions
7 Disclosure should be provided on a timely basis	<ul style="list-style-type: none">• Report available to the public on bce.ca and updated on an annual basis• BCE's 2021 annual information form (AIF) refers to this document and includes a summary

Company overview

BCE is Canada's largest communications company, providing residential, business and wholesale customers with a wide range of solutions for all their communications needs. BCE's shares are publicly traded on the Toronto Stock Exchange and on the New York Stock Exchange (TSX, NYSE: BCE). Our results are reported in three segments: Bell Wireless, Bell Wireline and Bell Media. We are headquartered in Montréal, Québec, Canada.



To learn more about Bell Wireless products and services, see our [2021 Annual Report](#) (p. 35) on our website

To learn more about Bell Wireline products and services, see our [2021 Annual Report](#) (p. 36) on our website

To learn more about Bell Media products and services, see our [2021 Annual Report](#) (p. 37) on our website

Corporate Responsibility supports our purpose to advance how Canadians connect with each other and the world

Since our founding in 1880, Bell has been enabling Canadians to connect with each other and the world around them. Our approach to corporate responsibility is to manage the company in ways that support the social and economic prosperity of our communities while safeguarding the environment, with a commitment to the highest environmental, social and governance (ESG) standards.

Our approach is informed by a set of guiding principles that support our corporate strategy and policies throughout the organization. Through stakeholder engagement and our own internal processes, we monitor issues and opportunities, and set objectives. We continuously measure and report on our progress in increasing environmental stewardship, nurturing a healthy and inclusive workplace, building stronger and healthier communities and implementing best-in-class governance practices.

We insist on this approach not only because it is the right thing to do, but also because we strongly believe that Bell's corporate responsibility actions provide significant societal and environmental benefits that enable Bell to improve operational performance, attract and retain talent, increase access to capital and proactively manage risks. Our corporate responsibility strategy therefore generates positive returns for our shareholders as well as for our other stakeholders.

To learn more about our corporate responsibility (CR) strategy, see our [2021 CR Report](#) on our website.

CLIMATE CHANGE AND BELL'S STRATEGIC IMPERATIVES

Corporate responsibility is a fundamental element of each of our 6 Strategic Imperatives.

Bell's 6 Strategic Imperatives



Build the best networks



Drive growth with innovative services



Deliver the most compelling content



Champion customer experience



Operate with agility and cost efficiency









Engage and invest in our people and create a sustainable future

With the evolution of climate-related risk likelihood and impact, as seen in the findings presented in the Global Risks Report of the WEF, we understand that a changing climate can lead to increased risks for any business – including financial, operational and reputational risks. In the [Global Risks Report 2022](#), climate action failure ranked as “the number one long-term threat to the world and the risk with potentially the most severe impacts over the next decade” (p. 8). These risks have the potential to cause devastating impacts on the world as we know it as well as impacts to public health and supply chains.

Bell is actively participating in fighting climate change by reducing the release of GHG emissions that are warming our planet. To demonstrate that we are taking this initiative seriously we rigorously monitor our carbon footprint, report our GHG emissions and establish increasingly ambitious GHG emissions reduction targets.

We also believe that we have an important role to play in providing our customers with technologies that help them address climate change and adapt to related impacts on their businesses. Many studies have demonstrated that the use of our products and services helps in curtailing GHG emitted by our clients and our own operations. Our most recent analysis concluded that Bell technologies have enabled carbon abatement for our customers of 4.5 times our operational carbon footprint. Overall, this is a net gain for the planet. More details can be found in section 4.1, Metrics to assess climate-related risks and opportunities, of this report.

CLIMATE-RELATED RISKS AND OPPORTUNITIES ACROSS OUR 6 STRATEGIC IMPERATIVES

Our 6 Strategic Imperatives	How we can address climate-related risks and opportunities
 1 Build the best networks	→ Take proactive actions to avoid impact from extreme climate events that may threaten our buildings and network infrastructure
 2 Drive growth with innovative services	→ Develop new innovative services and invest in new technologies to reduce our customers' GHG emissions
 3 Deliver the most compelling content	→ Raise awareness on climate change through our media channels
 4 Champion customer experience	→ Adapt to extreme climate events that may affect our ability to offer a positive & reliable customer experience and support our customers becoming more resilient
 5 Operate with agility and cost efficiency	→ Monitor the increased financial impacts from climate change on our cost efficiency
 6 Engage and invest in our people and create a sustainable future	→ Take a leadership role to fight climate change to help attract top talent and increase employee engagement

While climate change has the potential of negatively impacting businesses across all sectors, for Bell, there are opportunities to evolve our business by developing and providing innovative services that contribute to reducing GHG emissions and providing multiple societal benefits.

Here are a few examples of climate-related risks and opportunities:

- When we think of building the best networks (#1) and championing customer experience (#4), we must factor in various climate risks, including the eventuality that natural disasters do occur and that temperature may increase or decrease, which have the potential of hindering our ability to provide uninterrupted service to our customers if damage to our infrastructure occurs.
- As for the strategic imperative of driving growth with innovative services (#2), we see opportunities to develop innovative services and invest in new technologies, such as IoT and 5G, in order to monitor and reduce global GHG emissions.
- In terms of operating with agility and cost efficiency (#5), climate change is a catalyst to drive our internal efforts to reduce our energy consumption and shift towards the use of more renewable energy as we aim for greater cost efficiency.
- With our media reach through multiple platforms, we believe that we have an opportunity to lead by example and also increase awareness across the Canadian population on the topic of climate change with our content platforms (#3).
- At Bell, we want to create a sustainable future through fighting climate change. Our objective to remain an ESG leader and to publicly communicate our climate-related performance and targets resonates with our employees who want to work for a company that is actively contributing to fighting climate change, as well as contributing positively to the society in which they live, thus helping us in our objective to continuously engage and invest in our employees (#6).

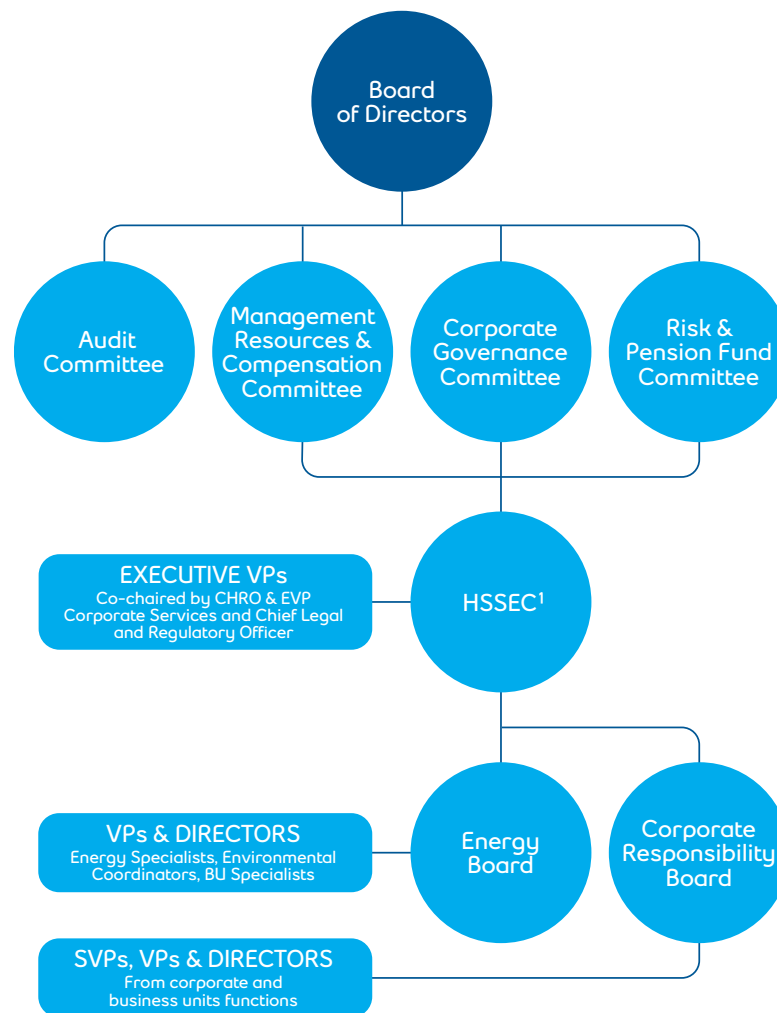
CLIMATE-RELATED RISKS AND OPPORTUNITIES DISCLOSURE ALIGNED WITH TCFD RECOMMENDATIONS

1. Governance

TCFD recommendation: Disclose the organization's governance around climate-related risks and opportunities

✓ ALIGNED

The BCE Board of Directors (the Board) has established clear lines of authority and oversight over the assessment and management of climate-related risks and opportunities. The chart below provides an overview of our governance structure related to climate change.



¹ Health, Safety, Security, Environment and Compliance Oversight Committee

1.1 Board committee oversight

The Board has established clear lines of authority and oversight over our climate change related matters, with primary accountability at the committee level.

RISK AND PENSION FUND COMMITTEE (RPFC)

The [RPFC](#) assists the Board in its oversight responsibilities related to our enterprise risk governance framework and the policies, procedures and controls management uses to evaluate and manage key risks to which the company is exposed.

Within its duties and responsibilities related to risk oversight, the RPFC reviews, monitors, reports and, where appropriate, provides recommendations to the Board on the company's exposure to key risks that may result in significant operational, financial, legal or reputational impacts, except risks that remain under the primary responsibility of another committee of the Board.

Environmental risks and business continuity risks, including those related to climate change, and trends are under the RPFC's responsibilities. The committee receives quarterly environmental reports from management and conducts a detailed review of Bell's environmental programs.

CORPORATE GOVERNANCE COMMITTEE (CGC)

The [CGC](#) assists the Board in developing and implementing BCE's corporate governance guidelines, determining the composition of the Board and its committees, overseeing the company's policies concerning business conduct, ethics, public disclosure of material information and other matters, and annually reviewing our ESG strategy and disclosure, including regarding climate change.

MANAGEMENT RESOURCES AND COMPENSATION COMMITTEE (MRCC)

The [MRCC](#) has oversight of human resources issues, including respectful workplace practices, health and safety, and tracks corporate performance against our ESG targets.

AUDIT COMMITTEE

The [Audit Committee](#) is responsible for overseeing financial reporting and disclosure, as well as the organization's internal control systems and compliance with legal requirements.

1.2 Management leadership

While the Board is responsible for BCE's risk oversight program, management has established a governance framework through the Health, Safety, Security, Environment and Compliance Oversight (HSSEC) Committee, to which the Energy Board and the Corporate Responsibility Board report, supporting the Board mandate to oversee health and safety, security, environmental and compliance risks, and to ensure they are addressed through efficient programs implemented within the various business units.

HEALTH, SAFETY, SECURITY, ENVIRONMENT AND COMPLIANCE OVERSIGHT COMMITTEE (HSSEC COMMITTEE)

The HSSEC Committee is mandated to make every effort to ensure that our corporate responsibility strategy is integrated throughout the business in order to minimize risk and optimize business opportunities. This committee is co-chaired by the Chief Human Resources Officer (CHRO) & Executive Vice-President (EVP), Corporate Services and the Chief Legal & Regulatory Officer who report to the RPFC, CGC and the MRCC. Its members include a significant number of Bell's most senior leaders including the Chief Financial Officer (CFO), Chief Information Officer (CIO), Chief Technology Officer (CTO) and Group President, Customer Experience.

This cross-functional committee seeks to ensure that relevant risks are adequately recognized, and mitigation activities are well integrated and aligned across the organization and are supported with sufficient resources. The HSSEC Committee also looks to maximize business opportunities and to ensure that these opportunities are integrated and aligned across all parts of our business. More specifically the HSSEC Committee is required to:

- Review our Corporate Responsibility (CR) vision and guiding principles, including our climate change strategy, based on recommendations from the Corporate Responsibility & Environment (CR&E) team and recommend it for approval by the CGC of the Board
- Assess emerging CR issues and trends, such as climate change, and provide recommendations on appropriate positioning for Bell
- Review and approve Bell's Environmental Policy as well as CR objectives and monitor their progress and achievement on an annual basis
- Approve operational strategies & objectives to address specific environmental issues, which include climate change, and review the results from our most recent Climate scenario analysis exercise and monitor the progress of implementation of climate change mitigation measures
- Report to the RPFC any incidents or material issues in complying with Bell's Environmental Policy

ENERGY BOARD

The Energy Board is a senior management-level committee mandated by the HSSEC Committee to ensure oversight of Bell's overall energy consumption and costs with the intent of minimizing financial and reputational risks while maximizing business opportunities. It also oversees the progression towards meeting GHG emissions reduction targets.

This committee is chaired by the Vice President, Corporate Security and Responsibility (CSR), and its members include business unit vice presidents, directors, managers and specialists.

The Energy Board was created in 2008 to continually seek to improve our energy performance. This committee explores and oversees the implementation of technologies to improve energy efficiency within our facilities (buildings, network, and information technology (IT) infrastructure), our vehicle fleet, and our business travel. Its key tasks include:

- Monitor BCE's energy consumption & costs on a periodic basis
- Establish the methodology to anticipate future variations in energy consumption & costs
- Set energy reduction targets & monitor progress made to achieve them
- Monitor GHG emissions reductions associated with energy reductions & progress made to achieve GHG reduction targets
- Identify opportunities to reduce energy costs, support implementation of energy-saving initiatives & recommend appropriate policy changes
- Recommend the development of awareness campaigns to engage employees in becoming more "energy smart"
- Seek to ensure that BCE's energy efficiency performance is periodically monitored & reported in an integrated manner to the RPFC, the Board and to external stakeholders

CORPORATE RESPONSIBILITY (CR) BOARD

The CR Board is a senior management-level committee mandated by the HSSEC Committee to support the evolution of our Corporate Responsibility strategy and to proactively manage ESG topics in an integrated fashion. Its mandate includes establishing processes for preparing, verifying and approving ESG information to be contained in public disclosure documents, encompassing our climate change disclosure.

This committee is chaired by the Vice President, CSR, and its members include business unit vice-presidents and directors.

INTERNAL WORKING GROUPS

Carbon Reduction Task Force

Reporting to the Energy Board, BCE's Carbon Reduction Task Force was created in 2021 and is composed of internal and external key players involved in the governance of corporate climate change mitigation. The Task Force's mandate is to develop and closely follow the implementation of our mitigation strategy to meet our GHG reduction targets.

To learn more about our GHG reduction targets, see section 4.2, Emissions targets and performance, of this report.

Carbon Innovation Working Group

The mandate of this working group is to work directly with the Energy Board business unit members to foster innovative practices and adoption of new technologies to reduce energy consumption and GHG emissions. The two flagship projects currently overseen by this group are innovative projects to reduce 1) fuel consumed by fleet vehicles and 2) electricity and fuel consumed by buildings and network technologies.

Climate Resiliency Task Force

In response to the latest IPCC assessment reports and as part of our corporate climate change strategy, Bell has created a company-wide Task Force on climate resiliency with representatives across the company. The goal of this Task Force is to bring together key internal stakeholders that can assist in building a strong resiliency governance to address the potential impacts of climate change in the short and medium terms, including physical climate-related risks such as natural disasters and increase in mean temperatures.

ENGAGEMENT

The CHRO & EVP Corporate Services has direct oversight of the CR&E team, which is accountable for corporate responsibility initiatives. Furthermore, all Executive Vice-Presidents (EVPs) have 30% of their variable pay tied to personal objectives that cover a variety of ESG topics, including for some EVPs key performance metrics related to GHG emissions reduction. We are currently working on expanding variable pay objective of executives tied to the achievement of our carbon reduction targets.

In 2020, the Management Resources and Compensation Committee (MRCC) of the Board introduced a metric to track corporate performance against our ESG targets, which includes our GHG emissions reduction target. This target along with several other performance metrics are used to calculate the Annual Incentive Pay (bonus) that is paid out to Bell's team members on an annual basis.

Finally, the CR&E team's mandate is to ensure our CR strategy is well integrated throughout the business in order to minimize risks and optimize business opportunities. The CR&E team members have most of the variable portion of their compensation tied to environmental goals. In 2020, we became the first North American communications company to achieve ISO 50001 certification for energy management and created new roles to support energy management. Many groups and resources are dedicated to support our energy and climate change targets. This includes energy specialists, environmental coordinators and real estate energy teams within the organization.

In order to accomplish our objectives, we proactively monitor global trends and stay at the forefront of best practices by applying a systematic management system approach. In 2009, we became the first Canadian telecommunication company to have such a system certified ISO 14001. Through the application of this corporate environmental management system (EMS), more than 50 individuals have direct responsibility for corporate responsibility issues related to our business imperatives across the company.

Bell employees from the business unit VPs, through to business unit Environmental Coordinators (ECs), are responsible for the performance of our corporate responsibility portfolios. To learn more, see [Our corporate responsibility approach](#) on our website.







2. Strategy

TCFD recommendation: Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.

✓ **ALIGNED**

Bell takes the risks brought about by climate change very seriously. We also recognize that climate change could bring opportunities for our business, such as higher demand for our products and services contributing to a cleaner economy, and enhance the brand value and reputation.

We have updated our Climate scenario analysis with the help of a third party firm and we have identified the following main climate-related risks and opportunities that could impact Bell along with their potential financial impact on our business. Although the TCFD recommends disclosure only where such information is material, we are voluntarily reporting under this section without limiting our disclosure to what is material to Bell.

Transition risks		Potential financial impact
	Regulation <ul style="list-style-type: none"> Carbon pricing regulations 	<ul style="list-style-type: none"> Increased operational costs due to rising price of energy
	Technology <ul style="list-style-type: none"> End-of-life treatment of our technologies 	<ul style="list-style-type: none"> Increased operational costs due to increase in e-waste treatment programs and management systems
	Market <ul style="list-style-type: none"> Shifting supply and demand for energy 	<ul style="list-style-type: none"> Increased operational costs due to rising price of energy
	Reputation <ul style="list-style-type: none"> Public perception on accountability and managing climate-related issues Climate-related disclosures and ESG rankings 	<ul style="list-style-type: none"> Decreased demand for our products and services due to not effectively managing or reducing our climate-related impacts Increased cost of capital due to degrading ESG rankings and score in our disclosures
Physical risks		Potential financial impact
	Acute <p>Increased severity & frequency of extreme weather events (flooding, ice storms, wildfires, and extreme temperatures)</p>	<ul style="list-style-type: none"> Increased operating costs from maintenance & repairs, labour, heating and cooling, and equipment damage Asset impairment leading to service disruption causing a decrease in revenues Increased insurance premiums or reduced insurability in high risk areas
	Chronic <ul style="list-style-type: none"> Rising mean temperatures 	<ul style="list-style-type: none"> Increased operating costs due to extended cooling requirements in our buildings Increased investment requirements in new resilient technology and construction

Products & Services – Opportunities



- Development and increased growth of our digital products and services

Potential financial impact

- Increased revenues resulting from increased demand for our digital products and services that help our customers reduce their carbon footprint
- Increased revenues resulting from increased need to use resiliency and adaptation services by our customers, due to an increase in frequency and severity of extreme weather events

Reputation – Opportunities



- Enhanced public perception on accountability and managing climate-related issues
- Climate-related disclosures and ESG rankings

Potential financial impact

- Increased demand for our products and services due to effectively managing or reducing our climate-related impacts and leadership on climate-related issues
- Decreased cost of capital due to improving ESG rankings and score in our disclosures

2.1 Climate-related risks

We recognize that climate change poses potential risks to our business, our customers, and the communities in which we operate in. The latest [IPCC Assessment Report published in August 2021 \(AR6\)](#) states that “The scale of recent changes across the climate system as a whole and the present state of many aspects of the climate system are unprecedented over many centuries to many thousands of years” (p. 10) and that “Human-induced climate change is already affecting many weather and climate extremes in every region across the globe” (p. 11). We acknowledge that the risk is imminent and will keep increasing, as the planet gets warmer.

We believe companies across all sectors must take actions to reduce and neutralize their carbon footprint to hold global warming to well below 2°C, and preferably limit it to 1.5°C above pre-industrial levels.

We also believe that, even if we reduce our GHG emissions, we should get ready to face the impacts of climate change and increase our corporate climate resiliency. In alignment with the TCFD recommendations, we categorize climate-related risks into transition and physical risks.

Transition risks are associated with a transition to a lower-carbon economy, which may include extensive regulatory, technology, and market changes to address mitigation and adaptation requirements related to climate change. Physical risks are associated with the physical impacts from a changing climate and can either be event driven (acute) or longer-term shifts (chronic) in climate patterns.

For the purpose of disclosures recommended by the TCFD, we have focused on 7 main risks, which fall under the transition and physical risk categories identified by the TCFD.

TRANSITION RISKS



Regulation (Carbon pricing)

In Canada, the carbon footprint of certain organizations is subject to carbon pricing schemes. Although Bell is not directly targeted by current regulations, such carbon pricing schemes impact us since energy producers subject to carbon pricing are expected to transfer the carbon cost to their customers. This is expected to affect our operating costs by increasing the price of energy in all provinces across Canada since all provinces will be subject to a carbon pricing scheme.



Technology

The environmental impacts (including the GHG emissions) resulting from the use and end-of-life treatment of our technologies is expected to increase as the technology of our products (e.g., devices becoming smarter) becomes more sophisticated and our products consume more energy. In addition, our customers are increasingly upgrading their devices more frequently, leading to an increase in the stream of e-waste. We recognize the role we have to play in managing and minimizing this e-waste and, as a result, we expect an increase in operational costs related to the recovery, treatment, and disposal of this e-waste as we have an ambition of sending zero waste to landfill.



Market

The transition to a low-carbon economy is likely to cause a shift in supply and demand for energy, whereby energy supply could decrease and lead to rising energy prices, which would increase our operational costs. In addition, carbon pricing schemes in Canada are expected to exacerbate this situation through the transfer of carbon price costs to consumers, resulting in a further increase in our operational costs.



Reputation (Customer Perception)

As climate change becomes increasingly a concern for our customers, there is enhanced public focus on the accountability and management of climate-related risks. Our operations, service performance, reputation, and overall business continuity are largely dependent on how we manage our physical and non-physical assets, including how well we protect them from climate change. Climate change impacts could disrupt our operations, which in turn could have an adverse effect on our ability to provide key communications services, thus jeopardizing customer satisfaction and damaging our overall reputation. Ultimately, there is a risk of not demonstrating Bell's proactive behaviour towards climate change, which could affect our ability to acquire or retain customers.



Reputation (ESG Rankings)

Investors increasingly use ESG ratings and ranking agencies to inform their investment decision-making process. Our ESG performance is largely influenced by our climate-related disclosures and our ability to meet our climate-related targets and objectives. If we do not continue to disclose our climate change performance or other environmental-related performance, or should our ESG rankings degrade over time, there is a risk that investors will see this as unfavourable, which could affect our ability to efficiently access capital.

PHYSICAL RISKS



Acute Impacts (Extreme weather events)

Global scientific evidence suggests that climate change will increase both the frequency and severity of extreme weather events (such as flooding, ice storms, wildfires, and other extreme climate-related events). These could have a destructive impact on our telecommunications network infrastructure, which could affect our ability to deliver communications services that are critical to our customers and society. A service disruption due to extreme weather events could lead to financial impacts such as an increase in operating costs from maintenance & repairs, labour, heating and cooling and equipment damage, and an increase of insurance premiums or reduced insurability in high risk areas. Furthermore, this could jeopardize customer satisfaction and may result in decrease in revenues.



Chronic Impacts (Rising mean temperatures)

Anthropogenic global warming has already reached about 1.1°C above pre-industrial levels, and is expected to reach 1.5°C over the next 20 years, according to IPCC AR6. In Canada, average temperatures have increased by 1.7°C and are expected to keep rising – at twice the global warming rate. If average temperatures where Bell is operating are warmer or cooler year over year for longer periods of time, there will be an increasing need for cooling or heating capacity in our facilities, thus increasing our energy consumption and associated costs. Furthermore, in order to remain resilient to these increasing or decreasing temperatures, we would need to increase our investments in our infrastructure, which would lead to increased operational costs.

2.2 Climate-related opportunities

The effects of climate change can also create opportunities in the communications industry. For the purpose of this report, we have focused on two main opportunities related to climate change that present advantages for Bell, which fall under the products and services and reputation categories identified by the TCFD.

PRODUCTS AND SERVICES – TECHNOLOGIES



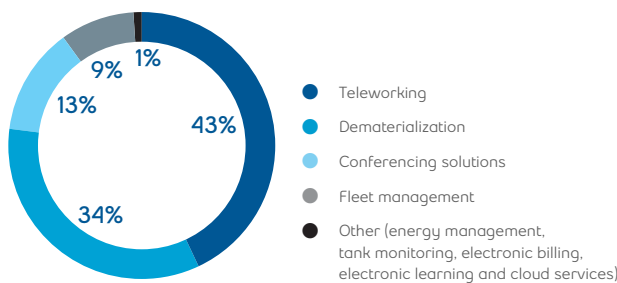
Helping Canadians fight climate change

Business customers are increasingly aiming to reduce their carbon footprint. In particular, customers targeted by carbon pricing schemes are expected to seek products and services that will enable them to cut GHG emissions, thereby assisting them in meeting their emissions caps (under cap and trade schemes) and reducing their expenses related to carbon pricing.

Offering services that enable Canadians to reduce their carbon footprint could generate additional revenues for Bell by increasing the number of potential customers seeking our technologies, and by expanding the range of products and services potentially purchased by current customers.

Bell’s technologies have the capacity to reduce our customers’ carbon footprint by 4.5 times our corporate carbon footprint. IoT is one of our major carbon reduction enabler with solutions such as smart cities, smart buildings, smart roads, smart operations and smart fieldworks.

Bell technologies enabling carbon abatement



To learn more about how the use of communication technologies contributes to reducing carbon emissions of our customers and our own operations, see the section Contributing to a better world through our products and services, in the Customers section of our [2021 CR Report](#) (p. 52).



Helping Canadians adapt to climate change impacts

The increased frequency and severity of extreme weather conditions resulting from climate change could present an increased demand for our products and services, as their use helps our customers adapt to such climate change impacts by improving their businesses' resiliency. Our technologies improve business continuity, for example, by providing access to information systems in the event of a natural disaster or other extreme weather event preventing our clients from physically accessing their offices or being able to perform business travel.

Teleworking and teleconferencing solutions allow our clients to work from anywhere and to minimize their need for business travels. During the COVID-19 pandemic, demand for our products and services drastically increased to support our customers in their working from home transition and benefitted society by reducing the risks of increased transmission of the virus. In addition, technologies like IoT solutions help businesses reduce their risk exposure by ensuring continued delivery of key communication services. Bell's robust business continuity plans seek to ensure the reliability of these technologies. More details can be found in section 3. Risk management, of this report.

To learn more about such technologies, see the section Contributing to a better world through our products and services, in the Customers section of our [2021 CR Report](#) (p. 51).

REPUTATION



Customer Perception

Many consumers' desire to purchase products and services is directly related to their perception on whether a company is demonstrating their commitment to sustainability, including managing and mitigating climate change, and adapting to its consequences. Bell's award-winning leadership on managing its environmental footprint thus presents an opportunity to differentiate itself. This competitive advantage could increase the demand for our products and services, and positively impact company value by improving our brand value and reputation. We continuously seek to expand our business in a responsible and sustainable way and have taken concrete actions in support of this objective. For example, every year we set energy reduction objectives that support our carbon footprint reduction targets. More details on our carbon reduction objectives and targets, including key performance metrics we track to measure our progress can be found in section 4, Metrics & targets, of this report.



ESG Rankings

As mentioned above, investors are increasingly using ESG ratings and ranking agencies to inform their investment decision-making process. There is an opportunity for Bell to continue to disclose and improve reporting on its climate-related risks, opportunities, and performance. Transparent disclosure and strong climate-related performance could contribute to enhancing our ESG ratings, which could decrease our cost of capital. This TCFD Report along with our other climate-related disclosures represent our continued focus on transparently reporting on our climate change initiatives and performance. Bell also discloses its carbon footprint and reduction targets in its [2021 Annual report](#) and [2021 AIF](#). Specifically, we disclose our objectives to achieve carbon neutral operations starting in 2025 and set SBTs, that are consistent with limiting temperature rise to 1.5°C¹. More details on our carbon reduction objectives and targets can be found in section 4, Metrics & targets, of this report.

¹ Pending approval by the Science Based Targets initiative (SBTi).

2.3 Climate scenario analysis

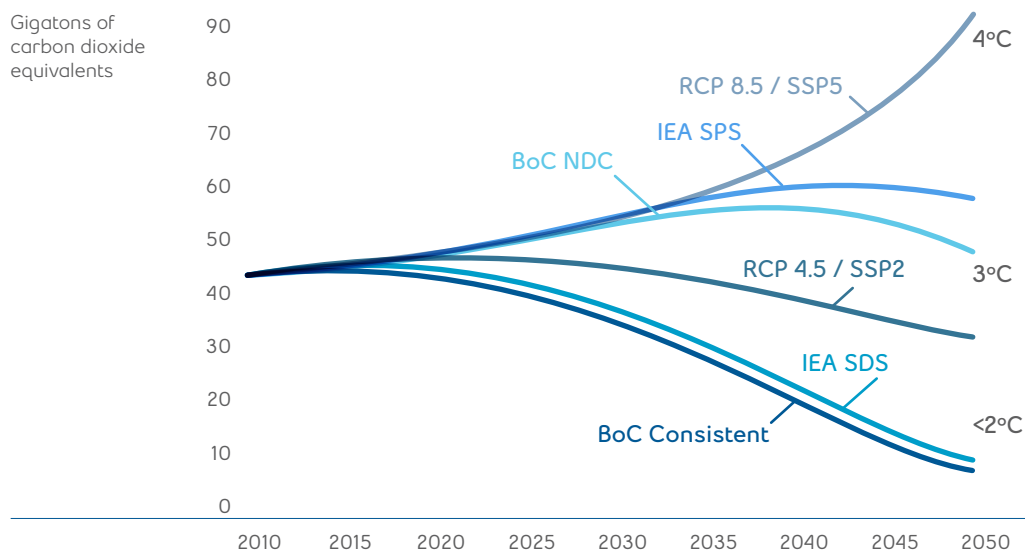
In 2020, we initiated our first climate scenario analysis exercise in order to identify the potential financial impacts from relevant climate-related risks and opportunities to ultimately enhance our resilience to climate-related risks and influence our strategic planning. In 2021, we updated the climate-related scenario to reflect the latest IPCC conclusions. The report provides new estimates of the chances of crossing the global warming level of 1.5°C in the next decades, and finds that unless there are immediate, rapid and large-scale reductions in GHG emissions, limiting warming close to 1.5°C or even 2°C will be beyond reach. Our climate-related scenarios may evolve over time as new reports and framework are developed and published.

Bell engaged consulting firms to lead a qualitative and quantitative climate scenario analysis by studying a number of future emissions pathways scenarios. The analysis took into consideration a low and high temperature warming scenarios for both physical and transition risks over a short (five-year), medium (10-year), and long (20-year) term time horizon. A total of six distinct scenarios were selected (see graphic below).

The table below provides a detailed summary of each of the scenarios used in our analysis.



PHYSICAL AND TRANSITION RISK CLIMATE SCENARIO PATHWAYS



Climate risk	Warming	Agency ¹	Scenario ²	Line colour	
Physical	Low	IPCC	RCP 4.5		The RCP 4.5 scenario is referred to as the stabilization scenario in which emissions peak in 2040 and then total global warming is stabilized shortly after 2100
	High	IPCC	RCP 8.5		The RCP 8.5 scenario combines assumptions about high population and relatively slow income growth with modest rates of technological change and energy intensity improvements, leading in the long term to high energy demand and GHG emissions in absence of climate change policies. This RCP scenario leads to the highest GHG concentration levels
Transition	Low	IEA	SDS		The Sustainable Development Scenario represents a major transformation of the global energy system while maintaining economic and population growth. This scenario is a shift away from fossil fuels and represents sustained decarbonization efforts that are consistent with the Paris Agreement of limiting global warming to 2°C or less above pre-industrial levels by 2100
		BoC	NDC		Beginning in 2020, countries act according to their pledges under the Paris Agreement. They reduce global warming, but their actions are not enough to limit warming to an additional 2°C above pre-industrial levels by 2100
	High	IEA	SPS		The Stated Policies Scenario (SPS) reflects the impact of existing policy frameworks and today's announced policy intentions. The aim of the SPS is to provide a detailed sense of the direction in which existing policy frameworks and today's policy ambitions would take the energy sector out to 2040
		BoC	Consistent		Countries act to limit global warming to 2°C above pre-industrial levels by 2100

¹ Intergovernmental Panel on Climate Change (IPCC), International Energy Agency (IEA), and Bank of Canada (BoC)

² Stated Policy Scenario (SPS), Nationally Determined Contributions (NDC), Sustainable Development Scenario (SDS), Representative Concentration Pathways (RCP)

PHYSICAL RISK CLIMATE-RELATED SCENARIOS

We used the future climate projections from the IPCC Fifth Assessment Report (AR5) to conduct our scenario analysis on physical climate impacts across all the geographies in which we operate for both acute and chronic impacts. The Representative Concentration Pathway (RCP) 4.5 and 8.5 were used to analyze the impacts from flooding, wildfire, ice storm, and extreme temperature. The likelihood of each carbon emissions scenario occurring is highly dependent on how much global effort is taken to progress towards a low-carbon economy.

In August 2021, IPCC released its Sixth Assessment Report (AR6) using the Shared Socioeconomic Pathways (SSPs). The RCP 4.5 and RCP 8.5 scenarios used in Bell's physical risk analysis were developed based on future forcing pathways, which correspond to that of SSP 2 (RCP 4.5) and SSP 5 (RCP 8.5), respectively. The SSPs consists of 5 scenarios narratives that highlight different socio-economic and technological pathways for the society in the 21st century. The major difference between the RCPs and SSPs is the socio-economic considerations embedded in the SSPs narrative, which were not captured in the RCPs, since the latter was not developed with the socio-economic considerations in mind, but to reflect the plausible climate outcomes based on possible future emission levels. The respective SSPs address how the corresponding RCPs can be met under certain socio-economic realities and policy expectations. Therefore, our physical risk climate-related scenarios do not take into account SSPs. Bell's physical risk scenarios used the RCP 4.5 and RCP 8.5, whose baseline has a corresponding future forcing pathways in SSP 2 (RCP 4.5) and SSP 5 (RCP 8.5), respectively, when linked to specific climate policies and other socio-economic considerations to generate different scenario outcomes by the end of the century. Our physical risk scenarios may evolve over time as new reports and framework are developed and published.¹

TRANSITION RISK CLIMATE-RELATED SCENARIOS²

Regulation risk

We used two scenarios developed by the International Energy Agency's (IEA) 2019 World Energy Outlook (WEO) publication: the Sustainable Development Scenario (SDS) and the Stated Policies Scenario (SPS). The SDS represents a pathway for the globe to hold the rise of global temperatures within 1.8°C above pre-industrial levels by 2100 while achieving the United Nations SDGs. The SPS reflects the impact of existing policy frameworks and today's announced policy intentions. These include Nationally Determined Contributions (NDC) under the Paris Agreement. Both the SDS and the SPC assume continued technological progress and rapid widespread changes across all parts of the energy system. We also considered the Bank of Canada (BoC) scenarios, which do not comprehensively consider the role of technology in the transition to a low-carbon economy. As a result, the IEA scenarios are more optimistic regarding future technological progress and provide lower bounds for the outcomes. We therefore decided to analyze the impacts of carbon pricing regulations using both the IEA and BoC scenarios to gain more insight in terms of our carbon pricing exposure. We expect to update our regulation risk scenario in our 2022 TCFD Report in light with the new IPCC report on carbon pricing expected to be published in 2022. Our regulation risk scenario may evolve over time as new reports and framework are developed and published.

¹ Bell's physical risk scenarios will be updated in 2022 to reflect SSPs considerations.

² Only the regulation risk has been quantified and is detailed in the transition risk section. Market and technology risks have only been identified in the summary as potential impacts.

Reputation risks







The reputational risks from ESG rankings and customer perception are part of the transition risk category. Our ESG rating performance linked to climate change could have a financial impact on the company. This may lead to fluctuation in the cost of capital depending on our ESG rankings and score in disclosures. Customer/public perception on accountability and managing climate-related issues may also lead to financial impact. For example, the company's profits may fluctuate as demand for our products and services may vary depending on how well we effectively manage or reduce our climate-related impacts. Our first climate scenario analysis exercise analysed the reputation risks over a 20-year horizon with broader boundaries to calculate financial impacts. The quantification impact methodology was revisited in 2021 to cover a similar horizon as the physical and regulatory risks (10 years) and to re-scope both sources of reputation risks (change in methodology due to the fact that communication sector is less responsive to the change of ESG rankings and the environment-related component in the total ESG score is smaller compared to the services and goods). The potential financial impact from both sources of reputation risks are now less speculative in nature. The reputational risks from customer perception and ESG rankings are not calculated based on climate-related scenarios unlike the other risks described above. The results presented below are irrespective of any scenarios and their forecasted potential impacts are based on current customer perceptions of climate change, as well as current ESG reporting tendencies and investor expectations. As such, they may evolve over time.

SCENARIO ANALYSIS INSIGHTS

Our scenario analysis included a total of seven climate-related risks, which we identified as having a potential financial impact on our business. For each of these risks, we tested a hypothesis to establish a theory of change and identify the climate-related events expected to result in financial impacts to Bell's costs, revenue, and assets (see below table for a description of our hypothesis tested for each risk). The high-level results from the climate scenario analysis are summarized below for each of the climate-related risks under the low and high warming scenarios.

NOTE: The impact levels below aim to compare climate-related risks against one another. No inference should be made as to the relative materiality of any of these risks for the company as a whole.

●● indicates more significant, and ● less significant in terms of relativity from one to another.

Climate risks	Hypothesis	Potential impact level	
		Low warming scenario Below 2°C	High warming scenario 3.5°C
Physical			
	Flooding Would the increase in the probability of a 1 in 100-year flooding event occurring have a financial impact?	●	●
	Wildfires Would the increase in the probability of a 1 in 100-year wildfire event occurring have a financial impact?	●	●
	Ice storms Would the increase in the probability of a 1 in 100-year ice storm event occurring have a financial impact?	●	●
	Temperature Would the increase in the number of very warm days and very cold days per annum have a financial impact?	●	●
Transition			
	Regulation Would tightening climate policies under various warming scenarios increase the cost of energy resulting in a significant financial impact?	●●	●●
	Reputation^{1 2} How much would the company cost of capital decrease/increase if its ESG score decrease/increase? Would the demand for the company's products and services be negatively impacted if it does not effectively reduce its carbon impacts and build a positive reputation?	●● ●	●● ●

The scenarios selected by Bell are not projections but are used to review the risks and opportunities related to climate change given possible future carbon emissions scenario pathways. Therefore, the projected impacts discussed above merely represent possible impacts and used to inform our strategic planning process. Our intention is to continue this exercise in subsequent years and refine our analysis and approach to develop a more comprehensive understanding of the financial impacts from climate change and gain insight on the materiality level. The refined analysis results will be analyzed by BCE's Climate Resiliency Task Force and shared with business units in order to build a sector-oriented resiliency action plan that will focus on the material potential climate impacts.

1 The materiality of the reputational risks has changed from last year since we have revised the quantification methodology, re-scoped and re-calculated the potential financial impacts

2 Reputational risks are not affected by climate scenarios but rather by ESG and external factors. They have been included to compare the risk level against other climate-related risks.

The results of the scenario analysis were provided to Bell's HSSEC Committee, as well as the CGC and the RPFC Committee of the Board, to review the potential financial impacts from climate change and enable them to incorporate climate-related risks and opportunities into future decision-making and strategic planning.

2.4 Impact of climate-related risks and opportunities on our strategy and financial planning

Overall, these climate-related risks and opportunities are being integrated into Bell's business strategy and objectives through incentives, organizational structures, policies, procedures, products, and services.

The development of our GHG emission reduction targets, which are part of our climate change program linked to [Bell's Environmental Policy](#), is an example of how issues related to climate change have influenced our strategy. Our climate change program enables corporate-wide engagement in actions that help us seek to meet our GHG emission reduction targets.

We use the information the Energy Board collects to inform our approach to operational objectives. Teams responsible for value creation, communications, fleet, networks and buildings management collect information, which is then analyzed by members of the Energy Board to assess alignment with our strategy. Pertinent trend analyses and recommendations are then reported to the HSSEC Committee, the final arbiter of climate-related strategy at the operational level, which also oversees its implementation across all Bell's business units. Finally, the HSSEC Committee reports decisions and progress to the Board's RPFC.

Furthermore, we invest in research and development in technologies, products, and services that actively seek to mitigate and enhance our resiliency to climate change. For example, we supported the development of new technologies for efficient cooling alternatives for our network infrastructure and data centres. Through this investment, we are better positioned to face chronic physical risks such as rising mean temperatures or extended heat waves.

We have also focused our strategic planning on increasing investments in researching and developing new products and services that enable our customers to reduce their own GHG emissions. We are actively developing this particular business opportunity through investments in IoT technologies, smart cities and connected cars. As a result, we have conducted studies to better understand the carbon abatement potential of our products and services and we have increased our investment in research to analyze and quantify the environmental benefits of some of our products and services.

With the increase in carbon pricing regulations and the indirect impact it has on our operating costs, we have begun building our own internal carbon price system (financial monitoring system) to effectively account for the cost of carbon in our business operations. Our Corporate Responsibility and Environment (CR&E) team is actively working with our Finance team to integrate the carbon cost in our business case templates as a pilot project in an attempt to better understand how Bell can internalize the cost of carbon and influence our strategic planning process. The objective is to embed this internal carbon price system into all our business decisions and future investment considerations via the creation of an "Enviro by Design" program.

More recently, we have undertaken an assessment of our climate change mitigation measures to understand how we can better integrate climate-related risks into all aspects of our business and risk management processes, including the enterprise risk management framework. The results from the assessment are described in section 3, Risk Management, of this report. One of these aspects includes our supply chain and the risk exposure to climate change of our suppliers. We are beginning to evaluate the impact of climate change on our supply chain with the goal of identifying high-risk suppliers and products we procure to then engage these suppliers and explore ways to mitigate these risks.

Finally, the second version of our climate scenario analysis has already helped us internally socialize the potential financial risks from climate change and provided us with key insights into better integrating climate-related risks into our enterprise risk management framework. We will continue to use the results from this analysis to enhance our risk management practices and our overall resiliency to climate change.

3. Risk management

TCFD recommendation: Disclose how the organization identifies, assesses, and manages climate-related risks.

✓ **ALIGNED**

Bell's processes for identifying, assessing, and managing climate-related risks are integrated into our multidisciplinary company-wide risk identification, assessment, and management processes.

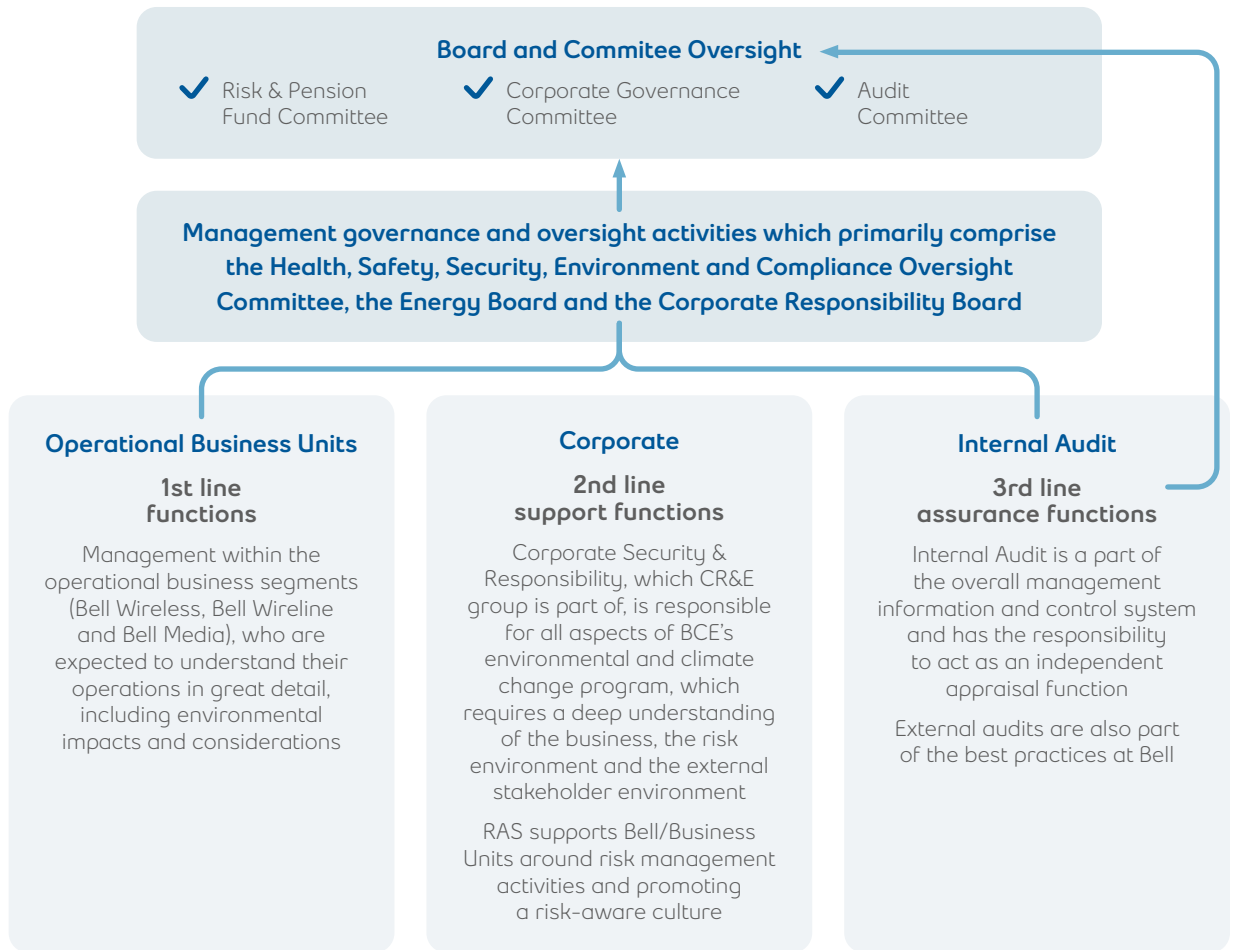
3.1 Processes for identifying and assessing climate-related risks

APPROACH

While the Board is responsible for BCE's risk oversight program, operational business units are central to the proactive identification and management of risk. They are supported by a range of corporate support functions, including the Risk Advisory Services (RAS) team, that provide independent expertise to reinforce the implementation of risk management approaches in collaboration with the operational business units. The Internal Audit function provides audit assurance, working to provide insight and support to the operational business units and corporate support functions, while also providing the Audit Committee, and other Board committees as required, with an independent perspective on the state of risk and control within the organization.

Collectively, these elements can be thought of as a "three lines" approach to risk management. Although our risk management framework is aligned with industry practices, there can be no assurance that it will be sufficient to prevent the occurrence of events that could have a material adverse effect on our business, financial condition, liquidity, financial results or reputation.

Oversight of climate-related risks



IDENTIFICATION OF CLIMATE-RELATED RISKS

The CR&E team monitors industry trends and publications, and consults with subject matter experts to understand potential risks and to monitor current and future climate-related legislation, policies, and regulations that may impact our business. The CR&E team works collaboratively with Bell's RAS team to ensure that risks are appropriately documented and profiled within the organization, and leverages experts throughout the year to expand their knowledge of relevant trends, issues and methods.

The evolution of Environmental, Social, and Governance (ESG) topics as a robust dimension of business value creation makes it a relevant consideration in Bell's risk management framework and process. The importance of ESG in the context of evolving business and risk considerations is clear and reflected in Bell's risk management framework.

ASSESSMENT OF CLIMATE-RELATED RISKS

Identified risks are assessed based on the potential nature, scale and scope of impact if the risk were to occur, and the likelihood of occurrence, considering a combination of the level of threat posed to the organization by the risk and the organization's vulnerability to a related risk event. The potential impact of risks related to climate change is assessed across a number of categories which include:

- Operational risk (for example, extreme weather events that could compromise our ability to provide our key communications services or the effect of climate related regulation on business operations)

- Financial risk (for example, a rise in average temperatures increasing our energy costs due to heightened need to cool network equipment or the potential cost of penalties associated with failure to comply with climate-related regulations)
- Reputational risk (for example, shift in expectations from customers and investors).

Impact and likelihood are both assessed using a four point scale with risk exposure reflecting a combination of impact and likelihood where increased exposure is associated with risk scenarios which have a higher potential impact and higher likelihood of occurrence.

Assessments are conducted at different levels within the organization and risks are profiled using a risk map based on the magnitude of their potential impact and likelihood of occurrence, with senior management involvement in both assessment and mitigation commensurate with the organization’s potential risk exposure.

REPORTING OF CLIMATE-RELATED RISKS

Risk exposures for climate-related risks are communicated by the CR&E team internally as part of standard management practices with regular oversight review at HSSEC Committee meetings and quarterly at the RPFC. Reporting on climate-related risk exposures is determined based on magnitude of potential exposure to support appropriate focus of effort and engagement at different levels of management through to the Board level. A risk analysis report covering Bell’s most prominent risks is generated and provided annually to the Board.

Assessing climate-related opportunities

While normally seen as a global major risk, climate change is also a business opportunity for Bell. The low-carbon transition creates opportunities for efficiency, innovation and growth. In terms of climate-related opportunities, we seek to prioritize initiatives with the highest potential for carbon reduction either for the company or for our customers. Opportunities are assessed based on a cost-benefit approach by the Energy Board. Findings are reported to the HSSEC Committee, the RFPC, and the Corporate Governance Committee on a regular basis and, furthermore, evaluated for potential to benefit Bell. We have identified some opportunities and benefits linked to a strong climate leadership positioning in the communication sector.

Climate leadership positioning opportunities/benefits:

Opportunities	Benefits
<ul style="list-style-type: none"> • Leadership in climate mitigation and adaptation brings a differentiation advantage towards our peers • 5G and IoT seen as a technology to fight climate change and reduce resource consumptions / Environmental friendly network • Expectations from customers to purchase from responsible and ethical companies, including those taking actions to reduce their carbon footprint • Aligning and supporting federal and provincial governments’ GHG emissions reduction policies and targets improve our overall governmental relation • Network availability and reliability in face of natural disasters due to climate change • Millenials are more likely to work and stay within a company aligned with their values 	<ul style="list-style-type: none"> • Managing climate change properly can reduce risks related to loss of market & customers • Reducing our energy consumption reduce the energy cost (including carbon pricing) • Reputational risk reduce if we do business with suppliers that are responsible and that reduce their carbon footprint • Improving our supply chain climate adaption reduce risks of disruption

3.2 Processes for managing climate-related risks

For the purpose of this section, we have focused on the risks most relevant to the communications industry.

CARBON PRICING

Bell has designed a strategy to address the energy efficiency of its operations, leading to ongoing energy reduction initiatives within our facilities and vehicle fleet. These energy efficiency initiatives contribute to reducing our energy costs, thereby helping to mitigate the risk related to carbon pricing schemes. Our energy reduction initiatives are focused on both Scope 1 and 2 emissions activities in buildings, network, data centres and our vehicle fleet.

Within our buildings and network infrastructure, we implement electricity savings initiatives such as:

- Modifying free cooling systems to reduce the need for mechanical cooling
- Implementing conversions to LED lighting
- Decommissioning or de-powering legacy equipment
- Consolidating, optimizing and virtualizing servers
- Implementing energy saving software features

In our fleet, we continuously implement fossil fuel-saving initiatives such as:

- Replacing fuel-vehicles with electric vehicles or, when not available, more fuel-efficient models
- Maintaining a corporate idling reduction policy
- Improving the monitoring of fuel fraud and abuse
- Evaluating new vehicles based on energy efficiency attributes tied to their use

To learn more about our initiatives, see our [Energy and Greenhouse gas](#) information sheet.

REPUTATION

In order to manage the reputational risk associated with climate-related impacts on our operations, we have developed business continuity plans and have a 24/7 emergency management team that continuously evolves its practices and works with operational teams such as our network, real estate and field service teams, to ensure that we maintain a state of readiness that permits us to respond proactively and efficiently to events that may disrupt our business. In addition, we also regularly report on our energy performance and GHG emissions including progress towards targets in our Annual Report, CR Report, and our Climate Change CDP submission. Our annual climate-related disclosures, along with this TCFD Report, provide the required transparency to demonstrate to our stakeholders that we take climate change seriously and are proactively acting to mitigate our climate change impacts and risks.

EXTREME WEATHER EVENTS

Bell is focused on implementing adaptation measures to help ensure the resiliency of our operations and the physical security of our team members in case of extreme weather events.

Preparedness

Risks are addressed through assessments carried out in collaboration with our Network, IT, Real Estate, Field Services, Risk Advisory Services, Finance (insurance), and Business Continuity teams for our buildings, networks, and vehicle fleet. The buildings and systems are first prioritized by level of criticality. Bell has four critical risk scenarios that can be adapted to any type of threat for which a strategy is in place to be able to continue to operate, including loss of site. We apply the Business Impact Analysis (BIA) to determine the classification type of each business function and four loss scenarios are used to determine risk exposure. The Business Continuity

team is responsible for defining the criticality level of our infrastructure based on predetermined factors, including level of traffic passing through our network, number of employees on site, profile of customers served, revenues generated, single point of failure, value of assets, location of facilities in areas prone to extreme weather events, etc. We assess threats and vulnerability on an ongoing basis for critical sites to ensure the continued delivery of our products and services. Then, we develop risk mitigation plans and emergency response procedures, as well as identify opportunities to improve. In so doing, we maintain a state of readiness that seeks to permit us to respond proactively and efficiently to events that may disrupt our business.

The Finance (insurance) team has been instrumental in leading risk awareness in the company regarding redundancy of operations. They have identified many areas of single-points of failure in our networks, improving architecture and redundancy of many elements of our network infrastructure. They have also built flood maps with insurers to assess the risk of our key and critical sites and identify most at risk sites. Recommendations are brought up to targeted key groups based on the risk and sites, and can include actions such as moving equipment or improving hurricane protocol when applicable.

Responsiveness

Bell has a National Incident Centre (NIC) that operates 24 hours/day, 365 days/year to respond to company-wide incidents and emergencies. Among other responsibilities, this centre seeks to ensure centralized and coordinated actions in case of an extreme weather event affecting Bell's operations. The NIC is provided with all the pertinent information (gathered by Network, IT, Real Estate, Field Services, RAS and Business Continuity teams) to diligently assess emergency situations and execute contingency plans developed for such events. Moreover, our Corporate Security and Resiliency team has systems linked with Environment and Climate Change Canada and civil protection organizations in order to receive alerts about weather-related national events (such as flooding or storms), which allow us to prepare accordingly.

RISING MEAN TEMPERATURES

Managing the risk related to rising energy costs due to rising mean global temperatures requires a vision to ensure we have the appropriate infrastructure in place. For example, we have systems linked to our Building Operation Centre and Network Operations Centres that perform remote monitoring of temperature and energy consumption of our facilities. Such systems send early warnings of critical temperature variations, which allow us to take action before damage occurs to our facilities.

In addition, Bell seeks to manage this risk by collaborating to develop new technologies, such as more efficient cooling alternatives, to put us in a better position to respond to the rise in mean global temperatures. For example, Bell partnered with Carnot Refrigeration in 2014, an eco-friendly refrigeration company, to conduct a pilot project in one of our data centres to test a CO₂ refrigeration technology. This test demonstrated that it is possible to maximize free cooling up to 10°C, thereby reducing our operating costs for electricity consumption. We now have 53 units installed across Canada. We also seek to manage this risk by adding free cooling systems to reduce the need for mechanical cooling in our buildings and network equipment, and by consolidating, optimizing and virtualizing servers. Another example of the benefit of new technology is telecommunications equipment that is resistant to higher temperatures, which could reduce our cooling needs and costs. Another way to manage the effects of average temperature change is to favour LEED and BOMA BEST certified buildings in our real estate portfolio, which aim to consolidate and optimize the efficiency and cost-effectiveness of power and cooling. To learn more about these certifications, see our [Sustainable real estate](#) information sheet.

The rise in mean temperatures does not only affect buildings and equipment, but also human resources as our technicians and engineers work on the field and at our customers' premise. Finance (insurance) team has started internal preliminary discussions on the need to evaluate how warmer/colder temperatures can reduce workforce productivity and our ability to build networks and perform repairs.

4. Metrics and targets

TCFD Recommendation: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

✓ ALIGNED

4.1 Metrics to assess climate-related risks and opportunities

Although the TCFD recommends disclosure of metrics and targets only where such information is material, we are voluntarily reporting under this section without limiting our disclosure to what is material to Bell. Bell assesses climate-related risks and opportunities in line with its strategy and risk management processes. Our key metrics used to monitor our performance are:



Opportunity metrics:

Our products and services used by our external customers and within our own operations help fight climate change and adapt to its impacts. We have long understood that using telecommunications technologies can help our customers reduce their energy needs and cut their carbon footprint while enhancing their productivity in numerous ways.

Enabling transition to a low carbon economy

To understand our net impact on the planet's carbon load, we have developed a methodology in collaboration with Groupe AGÉCO that quantifies the carbon reduction capacity of our products and services. Our analysis concluded that Bell technologies have enabled carbon abatement, both for our external customers and within our own operations of nearly 1,379 kilotonnes of CO₂ equivalent (CO₂e) in 2020, which is equivalent to 4.5 times our operational carbon footprint¹.

Our vision for the future is to continually increase Bell technologies' carbon abatement ratio² by developing and providing carbon-reducing products and services. Therefore, we set a new target in order to further help our external customers and our own operations reduce carbon footprints by using our technologies: Increase carbon savings enabled by the use of Bell's technology.

¹ Taking into account products and services for which Bell has developed the technology and plays a fundamental role in its delivery to clients, and products and services for which Bell has not developed the technology, but enables it by providing the network

² Our carbon abatement ratio is defined as the number of times by which GHG emissions abated through the use of Bell technologies exceed GHG emitted by Bell's operations

Using Bell's products and services helps address climate change

Our products and services, used by our external customers as well as within our own operations, help fight climate change and adapt to its impacts. Our solutions include the following:

- Virtualization¹ and cloud computing encourage optimal use of space, power and cooling resources by consolidating servers and storage and they improve business continuity thanks to the redundancies in our network;
- IoT services can be used to optimize asset and fleet management as well as for smart buildings, smart cities, smart operations and smart fieldwork applications. Electronic controls coupled to our communications networks also help to adapt to rising mean temperatures and extended heat waves;
- Teleconferencing² and teleworking³ improve business continuity, as highlighted by the COVID-19 pandemic;
- Social networks facilitate carpooling and car sharing and provide alternative travel solutions in case of extreme climate events limiting transportation options; and
- Dematerialization substitutes technology (ex: online banking) for travel.

Our objective is to continue developing business solutions, such as cloud services, virtualization and teleconferencing, that reduce carbon footprints and help adapt to climate change impacts – both for our customers and for ourselves.



Risk metrics: New climate-related risk performance metrics to be identified

The Climate Resiliency Task Force has the mandate to identify new risk metrics that will allow us to monitor our performance on managing our climate-related risks, for each business units that are directly impacted by climate change.

4.2 Emissions targets and performance

Bell statement in support of Canada significantly growing its use of wind, solar and energy storage, for the CanREA 2050 Vision document

Bell's strategic approach to managing climate change issues includes achieving carbon neutral operations starting in 2025, and reducing our absolute GHG emissions by 2030 in line with a 1.5°C emissions scenario in collaboration with the Science Based Targets initiative. Accelerating the adoption of decarbonized electricity production and storage, including wind and solar generation, is integral to Bell efficiently achieving our climate change goals.



Canadian Renewable
Energy Association
WIND, SOLAR, STORAGE.

Association canadienne
de l'énergie renouvelable
ÉOLIEN, SOLAIRE, STOCKAGE.

Marc Duchesne, Vice President, Corporate Security & Responsibility, Bell

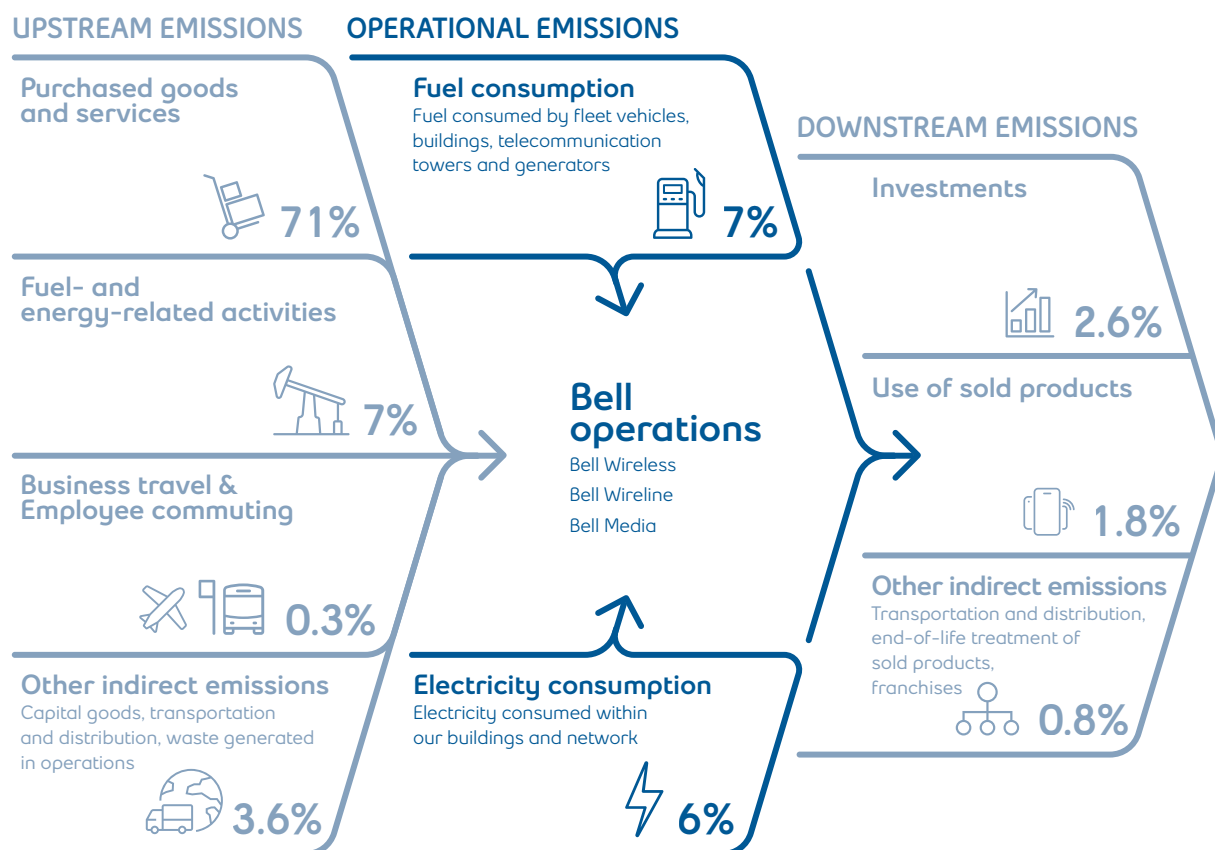
Bell takes its objective of controlling and reducing its GHG emissions seriously, both for operational GHG emissions as well as upstream and downstream indirect emissions, in order to manage performance against our climate-related goals and to monitor current and future climate-related risks.

¹ To learn more about virtualization, [click here](#)

² To learn more about teleconferencing, [click here](#)

³ To learn more about teleworking, [click here](#)

Below is a graphic illustration of our total current GHG emissions inventory, by GHG emissions type, across our whole value chain.



Bell's total carbon footprint is detailed in the table below.

Total GHG emissions inventory

Tonnes of CO₂ equivalent (CO₂e), 2021, 2020¹

GHG emissions type	Scope description	2021	2020 ²	Change
Operational emissions	Scope 1 Direct GHG emissions from sources that are owned or controlled by Bell	139,187	142,996	-2.7%
	Scope 2 Indirect GHG emissions associated with the consumption of purchased electricity, heating/cooling and steam required by Bell's activities	136,535	160,548	-15.0%
Upstream & downstream indirect emissions	Scope 3 Other indirect GHG emissions associated with activities up and down Bell's value chain ³	1,861,651	1,947,578	-4.4%
TOTAL		2,137,373	2,251,122	-5.1%

To learn more about Bell's carbon footprint, see our [Energy and greenhouse gas](#) information sheet.

¹ Based on data from July 1 of the previous year to June 30 of the reporting year. PwC provided limited assurance over the 2021 GHG emissions and year-over-year change of scope 1, scope 2 and part of scope 3 (indirect emissions categorized as business travel activities). See [PwC's assurance statement](#).

² 2020 GHG emissions from scope 2 and 3 are restated in line with the methodology outlined in the standards of the Greenhouse Gas Protocol. For more information on this restatement, see the [About this report](#) section on our website.

³ By definition, GHG emissions from scope 3 (upstream and downstream indirect emissions) occur from sources owned or controlled by other entities in Bell's value chain (such as our suppliers, employees and customers). As a result, measuring scope 3 emissions is more complex than measuring scope 1 and scope 2 emissions (operational emissions), for which we are able to obtain primary data (such as litres of fuel consumed within our vehicle fleet and kilowatt-hours of electricity consumed within our buildings). For scope 3 categories for which primary data is not available, we have to rely on secondary data (such as financial data and industry-average data from published databases). These data collection challenges contribute to uncertainty in scope 3 emissions measurement.

BELL'S GHG EMISSIONS REDUCTION TARGETS

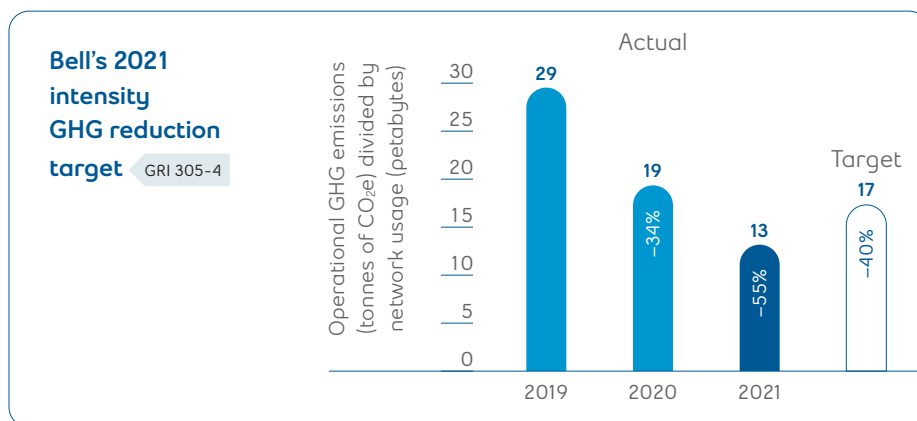
We set GHG emissions reduction targets to signal the importance of doing our part for climate change, ignite innovation in projects that may reduce emissions and drive results to progress in the right direction.

We are also collaborating with partners, such as the [Global Enabling Sustainability Initiative \(GeSI\)](#), [GSMA](#), the [EXCEL Partnership](#), the [UNGC's SDG Ambition Accelerator](#), the [Partenariat Climat Montréal](#), the [CIO's Sustainable IT Pledge](#) and the [Canada's Net-zero Leaderboard](#) to help develop best practices in how GHG emissions reductions targets are defined.

HERE IS A SUMMARY OF BELL'S GHG EMISSION TARGETS

2021: Intensity target

While we continue developing and implementing action plans to achieve our ambitious GHG targets for 2025 and beyond, we set an interim GHG intensity target to reduce the ratio of our operational GHG emissions (tonnes of CO₂ equivalent) to our network usage (petabytes) by 40% of our 2019 level by the end of 2021. This intensity metric illustrates the footprint of our operations in a meaningful way, recognizing the carbon reduction-enabling capabilities of our products and services. See the Contributing to a better world through our products and services section of the [2021 CR report](#) (p. 51). We are pleased to announce that in 2021, we surpassed this target by 15%, with our GHG emissions per network usage showing a 55% improvement since 2019¹.



2025: Carbon neutral operations target

We are targeting carbon neutrality for our operational GHG emissions² beginning in 2025. In support of this target, we will continue implementing numerous mitigation measures aimed at reducing our electricity and fuel consumption. For the remaining GHG emissions that we cannot reduce, we expect to partner with a well-recognized organization to purchase credible carbon credits to offset emissions.

¹ Network usage includes residential and wholesale Internet, business Internet dedicated (BID), VPN, IPTV, Inter-Network Exchange (INX), prepaid and postpaid wireless services, Wireless Home Internet, Voice-over-LTE traffic, IoT and enterprise usage, both in Canada and on international roaming partners' networks. As the methodology for gathering network usage differs from one carrier to the next, and because a company's business model directly impacts the amount of GHG it emits and how those GHG emissions are calculated and classified (as noted in the Impact of the business model section in [Our corporate responsibility approach](#) on our website), the ratio itself cannot be used to directly compare carrier performance. This metric excludes our Bell MTS division. For 2019, performance is based on energy consumption and network usage data from October 1 of the previous year to September 30 of the reporting year. Starting in 2020, performance is based on energy consumption and network usage data from July 1 of the previous year to June 30 of the reporting year. PwC provided limited assurance over the 2021 value and year-over-year change of this indicator. See [PwC's assurance statement](#).

² Operational GHG emissions include scope 1 and scope 2 emissions. Scope 1 emissions are direct GHG emissions from sources that are owned or controlled by Bell. Scope 2 emissions are indirect GHG emissions associated with the generation of electricity, heating/cooling, or steam purchased for Bell's own consumption.

2030 and beyond: Science-based targets (SBTs)

Bell is proud to be leading the way by setting science-based GHG emissions reduction targets that align with the most ambitious temperature goal of the [Paris Agreement](#)¹. By raising our climate ambition up to the criteria and recommendations of the [SBTi](#)², and by joining the Business Ambition for 1.5°C campaign, we aim to do our fair share to help limit global warming to 1.5°C above pre-industrial levels. Based on global scientific evidence, such ambitious GHG emissions reduction targets will help reduce the destructive impacts of climate change on human society and nature.

BCE Inc. commits to the following SBTs that are consistent with limiting temperature rise to 1.5°C³:

- Reduce our absolute scope 1 and scope 2 GHG emissions⁴, 57% by 2030, from a 2020 base year
- Reach 64% of our suppliers by spend covering purchased goods and services having a SBTs by 2026
- Reduce our absolute scope 3 GHG emissions from categories other than purchased goods and services⁵, 42% by 2030, from a 2020 base year

How we expect to achieve our targets

To achieve our ambitious GHG emission reduction targets, we are building upon our strong foundation we have already developed over the years: our ISO 50001 certification and our GHG and energy governance and innovation initiatives. Our action plan will include flagship initiatives such as fleet electrification, procurement of renewable energy, improvement to energy efficient equipment, and reduction of our real estate footprint. Initiatives to reduce our upstream and downstream indirect emissions, such as the purchase of goods and services includes proactive collaboration with industry leaders, supplier education on GHG reduction measures and improved contractual agreements. Other indirect emissions will be reduced by dematerializing our real estate footprint and products distributed, and by collaborating with our franchises and investment groups to reduce their emissions.

To develop and closely follow the implementation of our mitigation strategy to meet our GHG emissions reduction targets, in 2021, we created BCE's Carbon Reduction Task Force, composed of internal and external key players involved in the governance of corporate climate change mitigation and progress is reported to Energy Board members. We also developed a carbon emission dashboard to report progress to the RPFCC.

1 Science-based targets are GHG emissions reduction targets that are in line with what the latest climate science says is necessary to meet the goals of the Paris Agreement – to limit global warming to well-below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C

2 The SBTi is a partnership between CDP, the United Nations Global Compact (UNGC), World Resources Institute (WRI) and the World Wide Fund for Nature (WWF). The SBTi call to action is one of the We Mean Business Coalition commitments

3 Pending approval by the Science Based Targets initiative (SBTi).

4 Operational GHG emissions include scope 1 and scope 2 emissions. Scope 1 emissions are direct GHG emissions from sources that are owned or controlled by Bell. Scope 2 emissions are indirect GHG emissions associated with the generation of electricity, heating/cooling or steam purchased for Bell's own consumption. PwC provided limited assurance over the 2021 value for operational GHG emissions. See PwC's assurance statement.

5 Scope 3 categories covered by this target include GHG emissions from capital goods, fuel- and energy-related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commuting, downstream transportation and distribution, use of sold products, end-of-life treatment of sold products, franchises and investments

Closing remarks

At Bell, we recognize that climate change presents both a fundamental global challenge and a challenge for ourselves, while presenting business opportunities to innovate and grow our business. We recognize that climate change poses potential risks to our business, our customers, and the communities in which we operate. Considering the importance of taking measures to fight climate change, we believe we have a role to play in being part of the solution through our own internal initiatives as well as via innovative solutions that we provide to our customers.

We are committed to deepening our understanding on the matter and to continuously develop new ways to be more resilient to the impacts of climate change. We will accelerate the implementation of initiatives and take advantage of global innovations in our industry that can help fight climate change, such as the rollout of IoT technologies and 5G network and services, said to provide greater energy efficiency and “enable up to 10 MtCO₂e equivalent reduction from Canadian wireless carriers between 2020 and 2030 compared to emissions without 5G.” ([CWTA](#)).