

# Reporting what is relevant

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BCE Inc (Bell Canada) is Canada's largest communications company, delivering a wide range of service innovations to consumers, businesses and government customers across Canada including LTE Advanced, Fibe Internet and TV, Wireless Home Internet, cloud and data hosting, IP voice and collaboration, Connected Cars, Smart Cities and Internet of Things. BCE's shares are publicly traded on the Toronto Stock Exchange and on the New York Stock Exchange (TSX, NYSE: BCE).

## Our approach to corporate responsibility

The telecommunications industry is the foundation of societal and economic information sharing and commerce. As a Canadian leader in this ever more important, growing, and evolving industry, Bell is an important provider of the infrastructure essential to enable world-class quality and accessible services for all Canadians. As such, we believe we have a responsibility to approach our management of particular issues strategically.

Our approach to corporate responsibility begins with our goal of balancing economic growth, social responsibility, and environmental performance as we pursue our ongoing success as a company and work to seek to ensure our continued ability to contribute to the Canadian economy.

Since its founding in 1880, Bell has been enabling Canadians to connect with each other and the world around them. We take very seriously our responsibility to manage the company in ways that enable us to sustain our record of serving the personal and business communications needs of millions of customers, seek to create value for shareholders, provide meaningful careers for tens of thousands of people, and make a significant contribution to the broader Canadian community and economy.

# Corporate responsibility underpins our corporate strategy

Corporate responsibility is a fundamental element of each of the 6 Strategic Imperatives that inform Bell's policies, decisions, and actions. We insist on this approach not just because it is the right thing to do, but also because it supports our goal of advancing how Canadians connect with each other and the world. For example, while waste management and energy reduction initiatives address important environmental concerns of society, they also create a chain of benefits for Bell. They enable us to operate more efficiently as part of our imperative to operate with agility and cost efficiency (#5). They also align with the values of our team members, driving satisfaction and engagement, evidencing our work toward imperative #6: engage and invest in our people. In addition, they free up funds for a variety of purposes, from extending our networks in support of the productivity of Canadian businesses (#1), to investing in the communities we serve. Engaged team members also drive customer satisfaction as we champion customer experience (#4). Moreover, engaged team members in turn drive growth with innovative services, and help us to deliver the most compelling content (#2, 3).

1 Build the best networks



2 Drive growth with innovative services



3 Deliver the most compelling content



4 Champion customer experience



5 Operate with agility and cost efficiency



6 Engage and invest in our people



## Determining report content

In this document, we identify first those issues that are present in our entire value chain. Following this, we explain how we interact with stakeholders and identify topics that are simultaneously germane to our stakeholders and have an important impact on our business. Then we identify the sustainability megatrends telecommunications industry. We depend on expert publications and industry working groups to inform us not only on these megatrends but also to expand our understanding of what interests our stakeholders. Finally, we present the reporting guidelines upon which we base our reporting.

We address the topics that form the intersection of all these exercises in our annual Corporate responsibility report. That report also includes links to online stand-alone information sheets on our Corporate responsibility [website](#) that elaborate on key topics.

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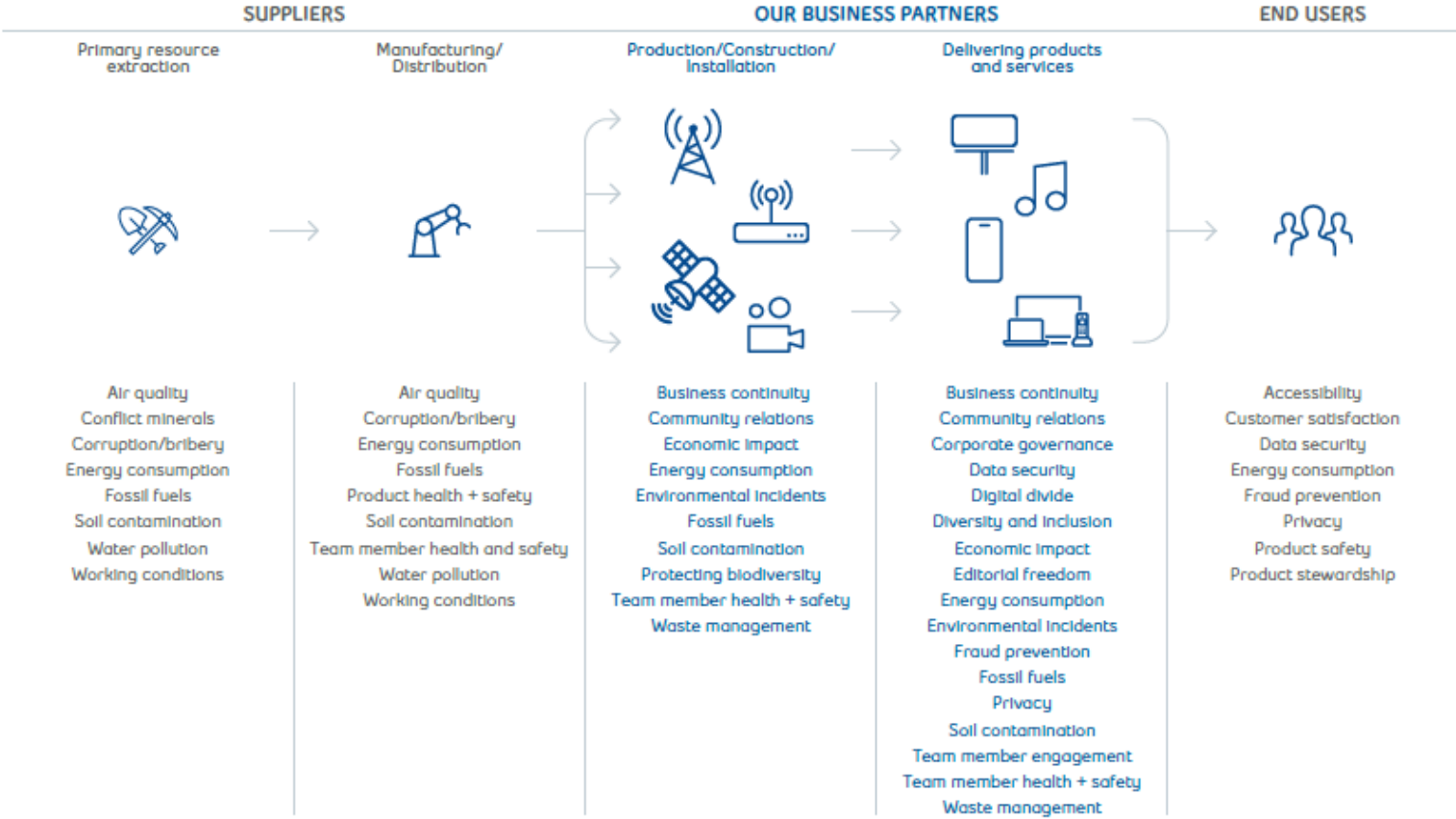
### Corporate responsibility topics across our value chain

A clear view of the company's entire value chain is increasingly important in responsible business practice. Climate-related regulations, the cost and availability of materials and human resources are all examples of value chain risks. At Bell, we make many efforts to continually expand and simultaneously deepen our view of actors and issues in our value chain. While our operations and influence are Canadian-based, we participate in global working groups (such as the [Responsible Business Alliance](#)<sup>1</sup> and the [UN Global Compact](#)) with industry peers and across industries to amplify our voice.

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<sup>1</sup> Bell ended our membership with RBA at the end of 2019 and rejoined GeSI.

The diagram below depicts our presence in various industry segments. Related corporate responsibility topics are listed directly below the different parts of the value chain.



## Stakeholder engagement

We remain informed on issues that are most important to our various stakeholders through consultation to obtain their feedback.

We identify our most important stakeholder groups based on the extent of the stakeholder group's engagement with the company and their influence on the company. From this analysis emerges a short list comprising customers, civil society/NGOs, suppliers, rating agencies, investors, team members, and unions.

Because issues evolve over time, and new ones emerge, Bell consults this broad range of stakeholders in a variety of ways and on an ongoing basis.

Here are some of the ways we connect with stakeholders:

- We connect with customers frequently through Fizzback and social media
- We connect with NGOs and civil society at formal industry events, such as conferences
- We monitor our dedicated email address for direct feedback
- We participate in annual peer report evaluations (eg. Global Compact Network Canada) and seek expert feedback from EXCEL
- We engage with internal stakeholders throughout the year to get insight into the top-of-mind issues of everyone in the networks these subject matter experts have developed, including experts from:

Customer Experience	Community Investment	Residential Services	Investor Relations
Field Operations	Procurement	Unions	Security
Network	Real Estate	Regulatory Affairs	Media
Communications	Health & Safety	Human Resources	Mobility
Business Continuity	Sales	IT	Privacy

- Analysts from **UNPRI**, **Corporate Knights**, **Bloomberg ESG**, **oekom**, **Vigeo**, and **Sustainalytics** update us on what is important from our investors' perspective
- We participate in professional sustainability groups through membership.

Through our membership in these forward-thinking groups that bring together leaders of the global business community, BCE participates in the development and sharing of innovative thinking that produces practical action. Here are some of the groups in which we are involved:



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The insights we draw from all of these experiences help us to determine what to report.

### Significant sustainability megatrends in our industry

In recent years, the megatrends that have significantly affected our industry include employing an increasingly diverse workforce, the need to manage energy consumption, information security and privacy threats, mounting electronic waste (e-waste), and increasing supply chain risks. Below we explain how these topics relate to our business. In our Corporate Responsibility report we describe how we manage these topics and we also report on our performance against targets we have set for ourselves.

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## Diversity and inclusion

Diversity in the workplace is important for tech companies, not only for the social implications, but because it is challenging for a company to design products and services successfully for the general public if only one demographic is sitting at the table. Focus on diversity continues to grow for the ICT sector to ensure talent reflects the customer base, not just so that products and services are accessible for all, but also because it is linked to greater innovation, global success, and talent retention.<sup>2</sup>

## Energy consumption

Always a notable component of business service solutions in our industry, energy consumption is becoming more important as networks grow to support ever-increasing use of wireline and wireless services, such as Internet, data hosting, and devices, such as smartphones, tablets, and a vast array of other connected objects. All of these services consume rapidly growing amounts of data to access social networking, cloud computing, mobile TV, mobile commerce, and banking services. Each of these services consumes network energy, thereby affecting a company's carbon footprint.


Adding to the demand is the emergence of Internet of Things (IoT) applications in retail and transportation, such as the connected car, asset tracking, and remote monitoring. By 2022, mobile traffic in Canada by itself is expected to equal twice the volume of traffic for what was the entire Canadian Internet in 2005.<sup>3</sup> This growth in wireless data consumption alone is driving up service providers' needs for energy to power their networks, making energy efficiency an important issue for our entire industry.

We are also affected by the growing trend for companies to use data centres to shift applications and services to the cloud. This enables carriers like Bell to make more tools and professional services available to business customers while maximizing the efficiency of our networks and business operations. In time, this virtualization will involve both fixed and wireless access network elements as more functions will move from the customers' premises to centralized, carrier-operated facilities. As a result, carriers will consume more energy while their customers will see their energy consumption decrease. Over time, the net

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<sup>2</sup> To read more about Forbes' study on Fostering Innovation Through a Diverse Workforce. Forbes, in association with AT&T, Mattel, and L'Oréal USA [click here](#).

<sup>3</sup> CWTA, Cisco VNI Forecast Highlights, 2018



effect will be to reduce overall consumption as virtual activity replaces physical activity and larger carrier-operated platforms become more efficient.

### **Information security and privacy**

As devices connected to the Internet become more numerous, smarter, and as data-transmission volumes increase, service providers must work continuously to improve the level of information security through the protection and effective organization of systems, applications, and information repositories. This is vital to the secure operation of networks and business, and critically important to customers, who, along with employees, the government, and society expect that we protect their identities and information to the greatest extent possible.

### **Electronic waste (e-waste)**

Marketplace experience is confirming that, as faster and smarter devices are developed, customers need and want to replace devices more often. That creates more waste. Companies are expected to recover unwanted equipment. This is an important initiative, given that electronic components may contain environmental contaminants including lead, cadmium, beryllium and brominated flame retardants that generate significant risks for workers and communities involved in the recycling and disposal of e-waste. As a reseller of electronic products, companies like Bell must take proactive steps to help consumers properly dispose of their unwanted items.

### **Supply chain**

Companies like Bell must carefully monitor and manage supply-chain issues. We purchase products from a limited number of manufacturers, some of which dominate the global market. Resellers must remain vigilant in supply chain management by evaluating the level of risk of key suppliers and by implementing mitigation measures at the contractual phase that improve their resilience to potential risks.



### Impact of the business model

A company's business model directly affects the magnitude of the impact of these megatrends. Energy consumption and waste are good examples to illustrate this point. In general, the more vertically integrated the company, the greater the portion of GHGs and waste in the sector fall within that company's reporting scope.

Bell is a case in point. To deliver quality service to our customers, maintain direct control over operations, and promote business continuity that provides secure employment and career development potential, we have vertically reintegrated many of the functions that are often outsourced by other companies in our industry. For example, our operations include installation technicians – Bell Technical Services (**BTS**) – and many construction projects – carried out by Expertech Network Installation Inc. (**Expertech**) – all of which depend on a fleet of vehicles to take team members to our customers and job sites. These activities increase our Scope 1 GHGs (direct GHG emissions from sources that are owned or controlled by Bell) relative to other telecoms that outsource such functions. For more information on the scopes of greenhouse gas emissions reporting, please see the GHG Protocol's [website](#).

In addition, we have become more diversified in our effort to facilitate sustainable growth in the business. For example, we created Bell Media Inc. (Bell Media) which includes broadcast and other media assets acquired through acquisitions such as **CTV** Globemedia Inc. (CTV) and Astral Media Inc. (**Astral**). This has increased the overall consumption of energy that we account for in our Scope 2 emissions (indirect GHG emissions associated with the consumption of purchased electricity, heat, steam and cooling). That said, it does not necessarily mean Bell Media's Scope 2 emissions have increased since the time when Bell Media assets were separate, non-BCE operations.

Our integrated structure also affects the amount of waste we generate. Our vertically integrated structure means that we are accountable for managing waste created through these integrated functions, unlike companies that outsource these operations. We could outsource and thereby reduce our waste-to-landfill quantity, but that would not necessarily improve the industry's overall waste recovery rate. As well, by managing our network waste ourselves, we maintain control over functions that directly affect customer service and operations.

## Other influences on our reporting

In addition, we use proxies to inform which content we should address in our report. We monitor corporate responsibility issues and opportunities externally through surveys, customer requests for proposals, trend analyses, benchmark studies, and other research.

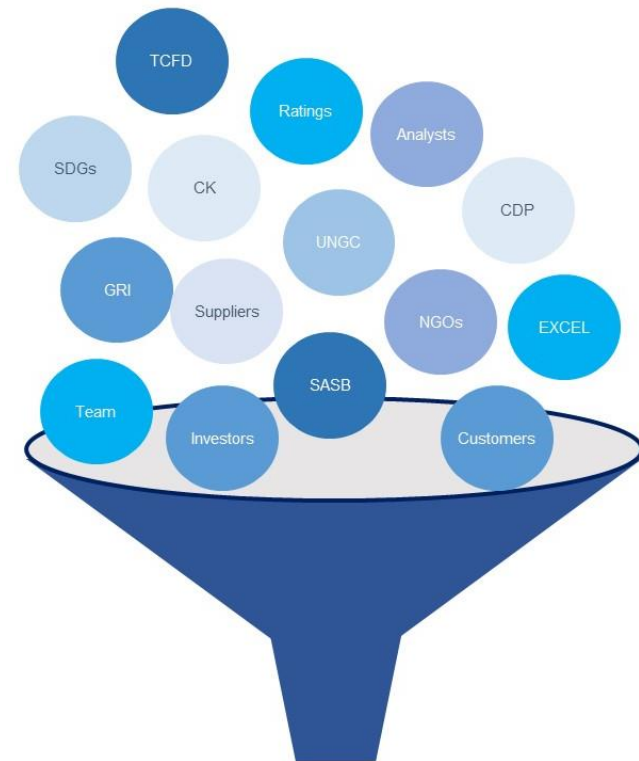
A few of the sources we consult: **UN Universal Declaration of Human Rights**, **UN Convention Against Corruption**, and **International Labour Standards**.

## Reporting guidelines

At Bell, we have been reporting on social and environmental issues for 25 years. Over the years, our focus has changed many times, but we have always been guided by what stakeholders want to know. We primarily take direction from relevant and internationally recognized reporting standards and guidelines:

- Task Force on Climate Related Financial Disclosure (**TCFD**)
- Sustainable Accounting Standards Board (**SASB**)
- International Integrated Reporting Council (**IIRC**)
- UN Sustainable Development Goals (**SDGs**)
- Life Cycle Assessment methodologies
- Global Reporting Initiative (**GRI**)
- UN Global Compact (**UNGC**)<sup>4</sup>
- ISO 26000**
- CDP**

All of these consultations inform the final content that we address in our annual Corporate responsibility report. Next we present what topics are reported.



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<sup>4</sup> See Appendix at the end of this document for a detailed explanation of Bell's response to the 10 Principles of the UNGC

# Final report content

As a result of the consultations mentioned above, we report on the most relevant social, environmental, governance, and economic issues in our Corporate responsibility report. These include:

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THEMATIC AREA	ESG TOPIC	STAKEHOLDERS	RELATED DISCLOSURE	STRATEGIC IMPERATIVE
<b>Environmental</b>	Biodiversity	Customers/NGOs/Civil society/Investors	<a href="#">Environment</a>	
	Energy consumption	Customers/Investors/Government	<a href="#">Environment</a>	
	Greenhouse gases	Team members/Customers/Investors/Government	<a href="#">Environment</a>	
	Waste	Team members/Customers/Investors/Government	<a href="#">Environment</a>	
<b>Social/Economic</b>	Community investment	Customers/NGOs/Civil society/Government	<a href="#">Community</a>	
	Customer satisfaction	Customers/Investors	<a href="#">Customers</a>	
	Direct and indirect impacts	Government	<a href="#">Economy and society</a>	
	Diversity and inclusion	Team members/Investors	<a href="#">Team members</a>	
	Employee engagement	Team members/Investors	<a href="#">Team members</a>	
	Online safety, customer privacy	Customers/NGOs/Civil society/Investors/Government	<a href="#">Customers</a>	
	Training and career development	Team members	<a href="#">Team members</a>	
	<b>Governance</b>	Cybersecurity	Customers/NGOs/Civil society/Government/Investors	<a href="#">Customers</a>
Editorial freedom	Customers/NGOs/Civil society/Government	<a href="#">Team members</a>		
Regulatory compliance	Customers/Government	<a href="#">Annual Report</a>		
Supplier screening	Customers/NGOs/Civil society/Investors	<a href="#">Economy and society</a>		

- 1 Build the best networks
- 2 Drive growth with innovative services
- 3 Deliver the most compelling content
- 4 Champion customer experience
- 5 Operate with agility and cost efficiency
- 6 Engage and invest in our people

The following image illustrates how we then prioritize these topics and determine the depth to which we discuss each topic in the report:




## Data collection and verification

We review how and what we report every year, with a continuous effort to improve our reporting processes and procedures for corporate responsibility reporting.

We make every effort to seek to ensure that all content is accurate and authenticated by internal subject matter experts (SMEs) across the company who collected, verified, and submitted the data to the Corporate Responsibility and Environment team, documenting the sources of information and how results were obtained.

In many cases, these data are collected through our certified ISO 14001:2015 management system. Team members who manage that system are accountable for the quality of the data through their performance evaluation, which affects their compensation.



Select performance indicators were independently assured by PricewaterhouseCoopers LLP. PwC performed a limited assurance engagement for these performance indicators. The results of PwC's limited assurance engagement are documented in an assurance statement. To read about the assertions, methodologies, and assumptions related to these KPIs, please see the table in the assurance statement, located on our [website](#).

We round all figures to the closest full integer in our reporting, unless otherwise specified, and all data are in international units. Unless otherwise indicated, all reported amounts are in Canadian dollars.

Where available, we include comparative historical data to demonstrate trends. Some historical data are restated due to acquisitions, changes in calculation methodologies to improve accuracy, or to correct previous errors in recording or calculating data.

The Responsibility section of our website hosts our Corporate responsibility report, presents additional information on related programs, provides access to specific policies, and includes links to complementary information. The site is the hub for all the documents representing our annual Corporate responsibility disclosure.

The content of the Report is reviewed and approved by the Corporate responsibility report advisory committee, made up of directors, vice presidents, and the Chief Human Resources Officer (CHRO) and Executive Vice President (EVP) Corporate Services.

# Appendix: How Bell addresses the United Nations Global Compact principles

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Since 2006, Bell has been a signatory of the United Nations Global Compact, a set of universal principles. As a signatory, BCE is committed to report on our initiatives related to the following issues:

## Human rights

Bell is a strong advocate of human rights. Our **Code of Business Conduct** requires each team member to demonstrate an unwavering respect for each other's uniqueness, including culture, ethnicity, gender, gender identity, age, religion, disability and sexual orientation, among other things. The company believes an inclusive work environment based on merit and fairness not only helps each employee reach his or her potential, but also strengthens the company as a whole by broadening its perspective of the human experience.

To that end, we respect and actively support the human rights of all groups of employees, including, for example, Lesbian, Gay, Bisexual, and Transgender (LGBT) individuals. We have in place non-discrimination policies that go beyond the minimum legal requirements and dedicate resources to support LGBT rights inside and outside the workplace. For details on Bell's employee programs, events, and our support to the LGBT community see the Team Member section in our report in the **Responsibility section** of our website.

Beyond that, we exert influence through value-chain management. Because of the proliferation of global sourcing and distribution, companies must be aware of potential human rights issues both upstream and downstream. To address this issue, Bell has had a **Supplier Code of Conduct** in place since 2007. As well, the company has adopted measures in our purchasing operations with the objective of avoiding conflict minerals that finance or benefit armed groups.

**Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights**

**Principle 2: make sure that they are not complicit in human rights abuses**

**Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining**

**Principle 4: the elimination of all forms of forced and compulsory labour**

**Principle 5: the effective abolition of child labour**

**Principle 6: the elimination of discrimination in respect of employment and occupation**

Through our Bell Let's Talk initiative to improve mental health, we not only build stronger relationships in the communities we serve, we are also leading the national effort to improve employee mental-health support in the workplace. For more information on the Bell Let's Talk initiative, please visit [letstalk.bell.ca](http://letstalk.bell.ca).

Our insistence on fairness extends to recognizing the right of our employees to be fairly compensated. Our sustained success as a business enables us to offer high-value careers in an important industry with a company that prides itself on a solid social, environmental and governance record. We believe this enables us to attract the very best new recruits, thus helping us sustain our progress. Consequently, we provide our employees with a very competitive compensation package, including wages and extensive benefits. For more information see the Team Member section in our report in the [Responsibility section](#) of our website.

## Environment

Our commitment to minimize our environmental impact is deeply rooted in the values of our team members. Since the early 1990s when we began reporting on the environmental impacts of our operations, we have been actively putting those values into practice. We have developed numerous programs and, indeed, an environmental management system that resulted in Bell being the first telecommunications company to receive ISO 14001 certification in Canada. Our programs are outlined in the Environment section of our report in the [Responsibility section](#) of our website.

## Labour


Bell recognizes that the ongoing transformation and growth of the company, and our continued contribution to the Canadian economy, rests on the shoulders of our workforce. The company makes every effort to ensure our workplace policies and programs at least meet the minimum legal requirements placed on us by the highly regulated labour market in which we operate, where most of our team members are protected by federal and/or provincial employment legislation. In many cases, we exceed the minimum requirements. For internal labour practices, Bell has a robust Code of Business Conduct designed to

**Principle 7: Businesses should support a precautionary approach to environmental challenges**

**Principle 8: undertake initiatives to promote greater environmental responsibility**

**Principle 9: encourage the development and diffusion of environmentally friendly technologies**

**Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.**



support the most stringent international labour principles, including those set out in International Labour Organization (ILO) conventions.

For more information see the Team Member section in our report in the [Responsibility section](#) of our website.

We expect suppliers to uphold the human rights of workers, and to treat them with dignity and respect in compliance with internationally accepted standards as defined in the ILO conventions and regional or national legislation governing working conditions. Bell's [Supplier Code of Conduct](#) addresses issues in the supply chain including but not limited to:

- Freely chosen employment
- Non-discrimination
- Child labour avoidance
- Freedom of association and collective bargaining
- Working hours, wages, and benefits

For more information see the [Responsibility section](#) of our website.

## Anti-corruption

To meet our ethical obligations to our customers, shareholders, and ourselves, we work hard to adhere to the most rigorous standards of business conduct. Our efforts have been recognized by external agencies but we understand – as we have for our entire 136-year history – that we must earn the trust people put in us every day in every interaction with customers, shareholders, suppliers, fellow team members and the broader public. That is why we are all required to reread the Bell Code of Business Conduct and make a signed personal commitment to its provisions each year. The Code clearly explains the values and standards of behaviour expected from every team member in all aspects of our business.