UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 40-F

☐ REGISTRATION STATEMENT PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

OR

☒ ANNUAL REPORT PURSUANT TO SECTION 13(a) OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended: **December 31, 2025** Commission File Number: **1-8481**

BCE INC.
(Exact name of Registrant as specified in its charter)

Canada
(Province or other jurisdiction of incorporation or organization)

4813
(Primary Standard Industrial Classification Code Number (if applicable))

98-0134477
(I.R.S. Employer Identification Number (if applicable))

1, carrefour Alexander-Graham-Bell, Building A, 7th Floor,
Verdun, Québec, Canada H3E 3B3, (514) 786-8424
(Address and telephone number of Registrant's principal executive offices)

CT Corporation System, 28 Liberty St., New York, New York 10005, (212) 894-8940
(Name, address (including zip code) and telephone number (including area code) of agent for service in the United States)

Copies of all correspondence should be sent to:

Melanie Schweizer
Senior Vice-President, Corporate Services and Corporate Secretary
BCE Inc.
1, carrefour Alexander-Graham-Bell
Building A, 7th Floor
Verdun, Québec H3E 3B3
Canada
Tel: (514) 786-8424

Mario Schollmeyer
Sullivan & Cromwell LLP
125 Broad Street
New York, New York 10004-2498
Tel: (212) 558-4000

Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934 ("Exchange Act"):

Title of each class	Trading symbol	Name of each exchange on which registered
Common shares	**BCE**	**New York Stock Exchange**

Securities registered pursuant to Section 12(g) of the Exchange Act: **None**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Exchange Act: **None**

For annual reports, indicate by check mark the information filed with this form:

☒ Annual Information Form ☒ Audited Annual Financial Statements

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report:

Common Shares	932,525,817
First Preferred Shares	
Series R	6,913,600
Series S	1,875,977
Series T	5,041,533
Series Y	5,382,087
Series Z	2,387,648
Series AA	10,186,378
Series AB	6,062,639
Series AC	6,160,274
Series AD	10,944,329
Series AE	3,220,472
Series AF	10,507,633
Series AG	8,097,685
Series AH	4,188,913
Series AI	8,738,340
Series AJ	3,776,360
Series AK	19,242,741
Series AL	1,489,288
Series AM	8,861,751
Series AN	950,322
Series AQ	7,727,909
Total First Preferred Shares	131,755,879

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the registrant was required to file such reports); and (2) has been subject to such filing requirements for the past 90 days.

Yes: ☒ No: ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes: ☒ No: ☐

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 12b-2 of the Exchange Act.

Emerging Growth Company ☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised accounting standards† provided pursuant to Section 13(a) of the Exchange Act. ☐

† The term “new or revised financial accounting standard” refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Exchange Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to § 240.10D-1(b). ☐

PRIOR FILINGS MODIFIED AND SUPERSEDED

The annual report on Form 40-F of BCE Inc. ("BCE") for the year ended December 31, 2025, at the time of filing with the U.S. Securities and Exchange Commission (the "SEC" or "Commission"), modifies and supersedes all prior documents filed pursuant to Sections 13, 14 and 15(d) of the Exchange Act for purposes of any offers or sales of any securities after the date of such filing pursuant to any registration statement or prospectus filed pursuant to the *Securities Act of 1933* which incorporates by reference such annual report on Form 40-F.

ANNUAL AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND MANAGEMENT'S DISCUSSION AND ANALYSIS

A. Annual Audited Consolidated Financial Statements

The BCE annual audited consolidated financial statements for the year ended December 31, 2025 (the "BCE 2025 Financial Statements") are contained in Exhibit 99.3 and are incorporated herein by reference.

B. Management's Discussion and Analysis

BCE management's discussion and analysis for the year ended December 31, 2025 (the "BCE 2025 MD&A") is contained in Exhibit 99.2 and is incorporated herein by reference.

DISCLOSURE CONTROLS AND PROCEDURES

Our disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by us in reports filed or submitted under Canadian and U.S. securities laws is recorded, processed, summarized and reported within the time periods specified under those laws, and include controls and procedures that are designed to ensure that the information is accumulated and communicated to management, including BCE's President and Chief Executive Officer ("CEO") and Executive Vice-President and Chief Financial Officer ("CFO"), to allow timely decisions regarding required disclosure.

As at December 31, 2025, management evaluated, under the supervision of and with the participation of the CEO and the CFO, the effectiveness of our disclosure controls and procedures, as defined in Rule 13a-15(e) under the Exchange Act, as amended, and under National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*.

The CEO and CFO have limited the scope of their design and evaluation of our disclosure controls and procedures to exclude the disclosure controls and procedures of Ziply Fiber, which we acquired on August 1, 2025, to the extent such disclosure controls and procedures are subsumed by internal control over financial reporting. The contribution of Ziply Fiber operations to our consolidated financial statements for the year ended December 31, 2025 was approximately 2% of consolidated revenues and (1%) of consolidated net earnings. Additionally, at December 31, 2025, the current assets and current liabilities of Ziply Fiber represented approximately 2% and 2% of our consolidated current assets and current liabilities, respectively, and the non-current assets and non-current liabilities of Ziply Fiber represented approximately 12% and 1% of our consolidated non-current assets and non-current liabilities, respectively. The design and evaluation of the disclosure controls and procedures of Ziply Fiber will be completed for the third quarter of 2026. Further details related to the acquisition of Ziply Fiber are disclosed in Note 4, *Business acquisitions and disposition*, in the BCE 2025 Financial Statements.

Based on that evaluation, which excluded the disclosure controls and procedures of Ziply Fiber as described above, the CEO and CFO concluded that our disclosure controls and procedures were effective as at December 31, 2025.

INTERNAL CONTROL OVER FINANCIAL REPORTING

A. Management's report on internal control over financial reporting

The report of BCE's management entitled "Management's report on internal control over financial reporting" is contained in Exhibit 99.4 and is incorporated herein by reference.

B. Auditors' report on internal control over financial reporting

The report of independent registered public accounting firm concerning the effectiveness of BCE's internal control over financial reporting is contained in Exhibit 99.4 and is incorporated herein by reference.

C. Changes in internal control over financial reporting

There have been no changes during the year ended December 31, 2025 in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

STATEMENT REGARDING CONTROLS AND PROCEDURES

There can be no assurance that our disclosure controls and procedures will detect or uncover all failures to disclose all material information otherwise required to be set forth in our disclosure. Furthermore, a control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation. Accordingly, BCE does not expect that BCE's internal control over financial reporting will prevent or detect all errors and all fraud. BCE will continue to periodically review its disclosure controls and procedures and internal control over financial reporting and may make modifications from time to time as considered necessary or desirable.

AUDIT COMMITTEE FINANCIAL EXPERT

In respect of the current members of BCE's Audit Committee ("Audit Committee"), the board of directors of BCE determined that the current Chair of the Audit Committee, Mr. L.P. Pagnutti, as well as Ms. K. Lee and Ms. M.F. Leroux are qualified as "audit committee financial experts", and that all members of the Audit Committee are independent under the listing standards of the New York Stock Exchange.

CODE OF ETHICS

All employees, directors and officers must follow Bell Canada's Code of Business Conduct (the "Code of Conduct"), which provides guidelines for ethical behaviour. The Code of Conduct includes additional guidelines for executive officers and management, including the CEO, CFO, Controller and Treasurer. The Code of Conduct is available in the governance section of BCE's website at BCE.ca and will be provided in print at no charge to any person who sends a written request by mail to BCE Inc. addressed to the Corporate Secretary, at 1, carrefour Alexander-Graham-Bell, Building A, 7th Floor, Verdun, Québec, Canada H3E 3B3.

In 2025, amendments were made to the Code of Conduct in order to:

- Streamline the document and reference additional external policies to enhance readability;
- Describe Bell Canada's four strategic priorities;
- Refine expectations for people leaders and executives (section 1.3);
- Improve protocols for reporting misconduct (section 1.6);
- Enhance guidance on identifying, disclosing, and managing conflicts of interest (including relationships with co-worker), with updated procedures and forms (section 2.3 and attachments);
- Add reference to the Insider Trading and Reporting Policy for additional restrictions and obligations for insiders, and confirmed restrictions related to Employees' Savings Plan (ESP) (section 2.7.1);
- Expand language regarding confidentiality, privacy, and the protection of both customer and employee information (sections 2.9 and 2.10);
- Update the section on the prohibition on the use of confidential information for sports betting (section 2.11);
- Update language of the Respectful Workplace section to better align to the corresponding Bellnet site and other HR policies (section 2.17.4); and
- Revise Bell Canada's objectives regarding environmental sustainability (section 2.19).

In addition to these changes, certain other technical, administrative and non-substantive amendments were made to the Code of Conduct.

A copy of the Code of Conduct, as amended, has been posted on BCE's website at BCE.ca.

PRINCIPAL ACCOUNTANT FEES AND SERVICES

A brief description of our pre-approval policies and procedures and information about fees and services billed to us by our principal accountant, Ernst & Young LLP (PCAOB No. 1263), for the year ended December 31, 2025, and by our former principal accountant, Deloitte LLP (PCAOB ID No. 1208), for the year ended December 31, 2024, can be found under the sections entitled "Pre-approval policies and procedures" and "External auditors' fees" on pages 53 and 54 of our Annual Information Form contained in Exhibit 99.1, which sections are incorporated by reference in this annual report on Form 40-F.

In 2025 and 2024, no audit-related, tax or other services were submitted to BCE's Audit Committee for approval pursuant to the pre-approval requirement waiver provision set out in paragraph (c)(7)(i)(C) of Rule 2-01 of Regulation S-X.

OFF-BALANCE SHEET ARRANGEMENTS AND CONTRACTUAL OBLIGATIONS

Please see the sections entitled "Contractual obligations" and "Indemnifications and guarantees" on page 78 of the BCE 2025 MD&A contained in Exhibit 99.2 (which sections are incorporated by reference in this annual report on Form 40-F) for a discussion of certain off-balance sheet arrangements and contractual obligations.

IDENTIFICATION OF THE AUDIT COMMITTEE

BCE has a separately designated standing Audit Committee established in accordance with section 3(a)(58)(A) of the Exchange Act. BCE's Audit Committee is comprised of six independent members: Mr. L.P. Pagnutti (Chair), Ms. K. Lee, Ms. M.F. Leroux, Ms. J. Tory, Mr. J. Wibergh and Mr. C. Wright.

MINE SAFETY DISCLOSURE

Not applicable.

UNDERTAKING

BCE undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the Commission staff, and to furnish promptly, when requested to do so by the Commission staff, information relating to: the securities in relation to which the obligation to file this annual report on Form 40-F arises or transactions in said securities.

WEBSITE INFORMATION

Notwithstanding any reference to BCE's website or other websites on the World Wide Web in this annual report on Form 40-F or in the documents attached as Exhibits hereto, the information contained in BCE's website or any other site on the World Wide Web referred to in this annual report on Form 40-F or in the documents attached as Exhibits hereto, or referred to in BCE's website, is not a part of this annual report on Form 40-F and, therefore, is not filed with the Commission.

SUMMARY OF SIGNIFICANT DIFFERENCES FROM NYSE CORPORATE GOVERNANCE RULES

A summary of significant differences between corporate governance practices followed by BCE and corporate governance practices required to be followed by U.S. domestic companies under the New York Stock Exchange's Listing Standards (disclosure required by section 303A.11 of the NYSE Listed Company Manual) is available in the governance section of BCE's website at BCE.ca.

SIGNATURES

Pursuant to the requirements of the Exchange Act, the registrant certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this annual report to be signed on its behalf by the undersigned, thereto duly authorized.

BCE Inc.

By: *(signed) Curtis Millen*

Curtis Millen
Executive Vice-President
and Chief Financial Officer

Date: March 6, 2026

LIST OF EXHIBITS
TO FORM 40-F

BCE Inc. Policy for the recovery of erroneously awarded incentive-based compensation from executive officers	Exhibit 97
Annual Information Form of BCE Inc. for the year ended December 31, 2025	Exhibit 99.1
Management's Discussion and Analysis of BCE Inc. for the year ended December 31, 2025	Exhibit 99.2
Annual audited consolidated financial statements of BCE Inc. for the year ended December 31, 2025	Exhibit 99.3
Management’s report on internal control over financial reporting and the Report of Independent Registered Public Accounting Firm thereon	Exhibit 99.4
Consent of Independent Registered Public Accounting Firm - Ernst & Young LLP	Exhibit 99.5
Consent of Independent Registered Public Accounting Firm - Deloitte LLP	Exhibit 99.6
Bell Canada Unaudited Selected Summary Financial Information	Exhibit 99.7
Earnings Coverage	Exhibit 99.8
Certifications of the Chief Executive Officer and the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Exhibit 99.31
Certification of the Chief Executive Officer and the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Exhibit 99.32
Interactive Data File (formatted as Inline XBRL)	Exhibit 101
Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)	Exhibit 104

BCE INC. POLICY FOR THE
RECOVERY OF ERRONEOUSLY AWARDED INCENTIVE-BASED COMPENSATION
FROM EXECUTIVE OFFICERS

I. BACKGROUND

BCE Inc. (the "Company") has adopted this policy (this "Policy") to provide for the recovery or "clawback" of certain incentive compensation in the event of a Restatement (as defined below). This Policy is intended to comply with, and will be interpreted to be consistent with, the requirements of Section 303A.14 of the New York Stock Exchange ("NYSE") Listed Company Manual (the "Listing Standard").

II. STATEMENT OF POLICY

The Company shall recover reasonably promptly the amount of erroneously awarded Incentive-Based Compensation in the event that the Company is required to prepare an accounting restatement due to the material noncompliance of the Company with any financial reporting requirement under applicable securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period (a "Restatement").

The Company shall recover erroneously awarded Incentive-Based Compensation in compliance with this Policy except to the extent provided under the section entitled "V. Exceptions" herein.

III. SCOPE OF POLICY

A. *Covered Persons and Recovery Period.* This Policy applies to all Incentive-Based Compensation received by a person:

- after beginning service as an Executive Officer,
- who served as an Executive Officer at any time during the performance period for that Incentive-Based Compensation,
- while the Company has a class of securities listed on NYSE, and
- during the three completed fiscal years immediately preceding the date that the Company is required to prepare a Restatement (the "Recovery Period").

Notwithstanding this look-back requirement, the Company is only required to apply this Policy to Incentive-Based Compensation received on or after October 2, 2023.

For purposes of this Policy, Incentive-Based Compensation shall be deemed "received" in the Company's fiscal period during which the Financial Reporting Measure (as defined herein) specified in the Incentive-Based Compensation award is attained, even if the payment or grant of the Incentive-Based Compensation occurs after the end of that period.

B. *Transition Period.* In addition to the Recovery Period, this Policy applies to any transition period (that results from a change in the Company's fiscal year) within or immediately following the Recovery Period (a "Transition Period"), provided that a

Transition Period between the last day of the Company's previous fiscal year end and the first day of the Company's new fiscal year that comprises a period of nine to 12 months will be deemed a completed fiscal year. For clarity, the Company's obligation to recover erroneously awarded Incentive-Based Compensation under this Policy is not dependent on if or when a Restatement is filed.

C. *Determining Recovery Period.* For purposes of determining the relevant Recovery Period, the date that the Company is required to prepare the Restatement is the earlier to occur of:

- the date the board of directors of the Company (the "Board"), a committee of the Board, or the officer or officers of the Company authorized to take such action if Board action is not required, concludes, or reasonably should have concluded, that the Company is required to prepare a Restatement, and
- the date a court, regulator, or other legally authorized body directs the Company to prepare a Restatement.

IV. AMOUNT SUBJECT TO RECOVERY

A. *Recoverable Amount.* The amount of Incentive-Based Compensation subject to recovery under this Policy is the amount of Incentive-Based Compensation received that exceeds the amount of Incentive-Based Compensation that otherwise would have been received had it been determined based on the restated amounts, computed without regard to any taxes paid.

B. *Covered Compensation Based on the Company's Common Share Price or TSR.* For Incentive-Based Compensation based on the price of the Company's common shares or total shareholder return ("TSR"), where the amount of erroneously awarded Incentive-Based Compensation is not subject to mathematical recalculation directly from the information in a Restatement, the recoverable amount shall be based on a reasonable estimate of the effect of the Restatement on the share price or TSR upon which the Incentive-Based Compensation was received. In such event, the Company shall maintain documentation of the determination of that reasonable estimate and provide such documentation to the NYSE.

V. EXCEPTIONS

The Company shall recover erroneously awarded Incentive-Based Compensation in compliance with this Policy except to the extent that the conditions set out below are met and the Management Resources and Compensation Committee (the "Committee") has made a determination that recovery would be impracticable:

A. *Direct Expense Exceeds Recoverable Amount.* The direct expense paid to a third party to assist in enforcing this Policy would exceed the amount to be recovered; provided, however, that before concluding it would be impracticable to recover any amount of erroneously awarded Incentive-Based Compensation based on the anticipated expense of enforcement, the Company shall make a reasonable attempt to recover such erroneously awarded Incentive-Based Compensation, document such reasonable attempt(s) to recover, and provide that documentation to the NYSE.

B. *Violation of Home Country Law.* Recovery would violate applicable Canadian federal or provincial law ("Canadian law") where that law was adopted prior to November

28, 2022; provided, however, that before concluding it would be impracticable to recover any amount of erroneously awarded Incentive-Based Compensation based on violation of Canadian law, the Company shall obtain an opinion of Canadian counsel, acceptable to the NYSE, that recovery would result in such a violation, and shall provide such opinion to NYSE.

C. ***Recovery from Certain Tax-Qualified Retirement Plans.*** Recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and regulations thereunder.

VI. PROHIBITION AGAINST INDEMNIFICATION

The Company shall not indemnify any Executive Officer or former Executive Officer against the loss of erroneously awarded Incentive-Based Compensation.

VII. DISCLOSURE

The Company shall file all disclosures with respect to recoveries under this Policy in accordance with the requirements of all applicable Canadian and U.S. Federal securities laws, including the disclosure required to be included in applicable Securities and Exchange Commission ("SEC") filings.

VIII. DEFINITIONS

Unless the context otherwise requires, the following definitions apply for purposes of this Policy:

"Executive Officer" means the Company's president, principal financial officer, principal accounting officer (or if there is no such accounting officer, the controller), any vice-president of the Company in charge of a principal business unit, division, or function (such as sales, administration, or finance), any other officer who performs a policy-making function, or any other person who performs similar policymaking functions for the Company. Executive officers of the Company's subsidiaries are deemed Executive Officers of the Company if they perform such policy making functions for the Company. Policy-making function is not intended to include policymaking functions that are not significant. Identification of an Executive Officer for purposes of this Policy will include at a minimum executive officers identified pursuant to 17 CFR 229.401(b).

"Financial Reporting Measures" means any of the following: (i) measures that are determined and presented in accordance with the accounting principles used in preparing the Company's financial statements, and any measures that are derived wholly or in part from such measures, (ii) stock price and (iii) TSR. A Financial Reporting Measure need not be presented within the Company's financial statements or included in a filing with the SEC.

"Incentive-Based Compensation" means any compensation that is granted, earned, or vested based wholly or in part upon the attainment of a Financial Reporting Measure.

IX. ADMINISTRATION; AMENDMENT; TERMINATION.

All determinations under this Policy will be made by the Committee, including determinations regarding how any recovery under this Policy is effected. Any determinations of the Committee will be final, binding and conclusive and need not be uniform with respect to each individual covered by this Policy.

The Committee may amend this Policy from time to time and may terminate this Policy at any time, in each case in its sole discretion.

X. EFFECTIVENESS; OTHER RECOUPMENT RIGHTS

In addition, in the event that your conduct would constitute grounds for termination for cause, then the Board may, at its sole and absolute discretion, in respect of compensation awarded on or after May 8, 2025:

X.I cancel all or a portion of unvested cash or equity compensation awards and unvested and vested options granted to you and outstanding as of the date the Board determines the clawback has been triggered under this section, and/or

X.II require you to reimburse the Company or Bell Canada, as applicable, for all or a portion of any cash or vested incentive and deferred compensation received within 24 months preceding the date the Board determines the clawback has been triggered under this section, net of tax and transaction costs, and/or

X.III require you to reimburse the Company or Bell Canada, as applicable, for all or a portion of any gain realized by you from the exercise of options exercised within 24 months preceding the date the Board determines the clawback has been triggered under this section, net of tax and transaction costs.

X.IV Nothing contained in this section shall oblige the Board to seek repayment should the Board determine that it would not be in the best interests of Bell Canada or the Company, as the case may be.

This Policy is in effect as of December 1, 2023 and has been amended on May 8, 2025, following the meeting of the Board. Any right of recoupment under this Policy is in addition to, and not in lieu of, any other remedies or rights of recoupment that may be available to the Company and its subsidiaries and affiliates under applicable law or pursuant to the terms of any similar policy or similar provision in any employment agreement, equity award agreement or similar agreement.

Exhibit 99.1
Connection
is everything
ANNUAL INFORMATION FORM
FOR THE YEAR ENDED
DECEMBER 31, 2025
MARCH 5, 2026
BCE

In this Annual Information Form, “we”, “us”, “our”, “BCE” and “the company” mean, as the context may require, either BCE Inc. or, collectively, BCE Inc., Bell Canada, their subsidiaries, joint arrangements and associates. “Bell” means, as the context may require, either Bell Canada or, collectively, Bell Canada, its subsidiaries, joint arrangements and associates.

Each section of BCE’s 2023, 2024 and 2025 management’s discussion and analysis (BCE 2023 MD&A, BCE 2024 MD&A and BCE 2025 MD&A, respectively) and each section of BCE’s 2025 consolidated financial statements referred to in this Annual Information Form are incorporated by reference herein. No other document shall be considered to be incorporated by reference in this Annual Information Form. The BCE 2023 MD&A, BCE 2024 MD&A, BCE 2025 MD&A and BCE 2025 consolidated financial statements have been filed with the Canadian provincial securities regulatory authorities (available at **sedarplus.ca**) and with the United States (U.S.) Securities and Exchange Commission (SEC) as exhibits to BCE’s annual reports on Form 40-F (available at **sec.gov**). They are also available on BCE’s website at **bce.ca**.

Unless otherwise indicated herein, documents and other information contained on BCE’s website or in any other site referred to on BCE’s website or in this Annual Information Form are not part of this Annual Information Form and are not incorporated by reference herein.

All dollar figures are in Canadian dollars, unless stated otherwise. The information in this Annual Information Form is as of March 5, 2026, unless stated otherwise, and except for information in documents incorporated by reference that have a different date.

Trademarks in this Annual Information Form which are owned or used under licence by BCE Inc., Bell Canada or their subsidiaries include, without limitation, BCE, BELL Design, BELL MOBILITY and BELL MEDIA. This Annual Information Form also includes trademarks of other parties. The trademarks referred to in this Annual Information Form may be listed without the © and ™ symbols.

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*[1] References to parts of the BCE 2024 MD&A contained in BCE's annual financial report for the year ended December 31, 2024 (**BCE 2024 Annual Financial Report**).*

*[2] References to parts of the BCE 2023 MD&A contained in BCE's annual financial report for the year ended December 31, 2023 (**BCE 2023 Annual Financial Report**).*

1 Caution regarding forward-looking statements

Certain statements made in this Annual Information Form are forward-looking statements. These statements include, without limitation, statements relating to Bell Canada's growth prospects and strategic positioning, the potential total number of combined Ziply Fiber-Network FiberCo fibre locations to be reached over the long term, the proposed disposition of Northwestel Inc. (Northwestel), the expected timing and completion thereof, our objective to create long-term value for our shareholders with strong free cash flow generation and a sustainable dividend, BCE's common share dividend and dividend payout policy target, BCE's expected dividend payout ratio level in the medium term, BCE's planned capital expenditures, BCE's network deployment plans, our transformation initiatives, the successful development and implementation of artificial intelligence (AI) solutions, either by us or pursuant to certain partnerships entered into by BCE, the intended use of the net proceeds of Bell Canada's offering of debt securities (including Bell Canada's February 12, 2026 offering of junior subordinated debt securities), BCE's business, outlook, objectives, plans and strategic priorities, and other statements that do not refer to 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, commitment* and other similar expressions or future or conditional verbs such as *aim, anticipate, believe, could, estimate, expect, intend, may, plan, seek, should, strive, will and would*. All such forward-looking statements are made pursuant to the safe harbour provisions of applicable Canadian securities laws and of the U.S. *Private Securities Litigation Reform Act of 1995.*

Unless otherwise indicated by us, forward-looking statements in this Annual Information Form describe our expectations as at March 5, 2026, and, accordingly, are subject to change after that date. Except as may be required by applicable securities laws, we do not undertake any obligation to update or revise any forward-looking statements, 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 Annual Information Form for the purpose of assisting investors and others in understanding our objectives, strategic priorities and business outlook, as well as our anticipated operating environment. Readers are cautioned, however, that such information may not be appropriate for other purposes.

Subject to various factors, we believe that the assumptions on which the forward-looking statements made in this Annual Information Form are based were reasonable as at March 5, 2026. Refer in particular to the sub-sections of the BCE 2025 MD&A entitled Assumptions on pages to 28, 33, 59 and 65 of BCE's annual financial report for the year ended December 31, 2025 (BCE 2025 Annual Financial Report), for a discussion of certain key economic, market, operational and other assumptions we have made in preparing forward-looking statements. 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 Annual Information Form include, but are not limited to: the negative effect of adverse economic conditions, including the continuation or escalation of trade wars, recessions, U.S. tariffs and the unpredictability of future trade arrangements, inflation, the value of the Canadian dollar, reductions in immigration levels, high housing support costs relative to income and financial and capital market volatility, and the resulting negative impact on customer spending, the resulting demand for our products and services, our customers' financial condition and the cost and amount of funding available in the capital markets; the negative effect of adverse conditions associated with geopolitical events, including financial and capital market volatility, broader geopolitical instability and armed conflicts, higher energy prices, inflationary pressures limiting consumer and business spending and increasing our operating costs, disruptions in our supply chains, and increased information security threats; the intensity of competitive activity in Canada and the U.S. and the failure to effectively respond to evolving competitive dynamics; the level of technological advancements 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 cloud-based, over-the-top (OTT) and other alternative solutions; advertising market pressures from economic conditions, fragmentation and non-traditional/global digital services; rising content costs and challenges in our ability to acquire or develop key content; high Canadian Internet and smartphone penetration; regulatory initiatives, proceedings and decisions, government consultations and government positions that negatively affect us and influence our business in Canada including, without limitation, concerning mandatory access to networks, spectrum auctions, the imposition of consumer-related codes of conduct, approval of acquisitions, broadcast and spectrum licensing, foreign ownership requirements, privacy and cybersecurity obligations, online streaming and digital services regulations, control of copyright piracy, and regulatory frameworks governing AI; the inability to implement enhanced compliance frameworks and to comply with legal and regulatory obligations, including the failure to monitor and comply with the U.S. legal and regulatory requirements to which Ziply Fiber is subject, which may reduce the amount of subsidies or revenues it receives, increase its compliance burdens or constrain its ability to compete; unfavourable resolution of legal proceedings; the inability to protect our assets and data from events such as information security attacks, unauthorized access or entry, fire, natural disasters, extreme weather events linked to climate change, power loss, building cooling loss, acts of war or terrorism, geopolitical conflict, sabotage, vandalism, actions of neighbours, and other events; the failure to implement effective security, data and responsible AI governance frameworks; the inability to drive a positive customer experience; the failure to evolve and transform our networks, systems and operations using next-generation technologies while lowering our cost structure, including the failure to meet customer expectations of product and service experience; the use of AI technologies in our business solutions and operations, and by our customers, business partners, and third-party vendors; the risk that we may need to incur significant capital expenditures to provide additional capacity and reduce network congestion; service interruptions or outages due to network failures or slowdowns; the complexity of our operations and information technology (IT) systems and the failure to implement, maintain or manage highly effective processes and 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; the failure by other telecommunications carriers on which we rely to provide services to complete planned and sufficient testing, maintenance, replacement or upgrade of their networks, equipment and other facilities, which could disrupt our operations including through network or other infrastructure failures; in-orbit and other operational risks to which the satellites used to provide our satellite television (TV) services are subject; the failure to successfully expand Ziply Fiber's fibre network; the inability of Ziply Fiber's current and future initiatives or programs to generate the level of returns, or to occur on the timeline, we anticipate; there can be no assurance that the potential benefits expected to result from the formation of Network FiberCo will be realized; the failure to successfully integrate Ziply Fiber as a subsidiary of BCE, and to generate the anticipated benefits from the acquisition of Ziply Fiber; 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 our dividend payout policy will be maintained or achieved, or that the dividend on common shares will be maintained or dividends on any of BCE's outstanding shares will be declared by BCE's board of directors (BCE Board); the failure to reduce costs and adequately assess investment priorities, as well as unexpected increases in costs; the inability to manage various credit, liquidity and market risks; the failure to accurately anticipate fluctuations in the exchange rate between the Canadian dollar and U.S. dollar and our inability to successfully implement currency hedging strategies; the failure to evolve practices to effectively monitor and control fraudulent activities; new or higher taxes due to new tax laws, treaties, regulations or rules thereunder in Canada, the U.S., or other relevant jurisdictions, or changes thereto, or changes in their interpretation or enforcement by tax authorities, and the inability to predict the outcome of government audits; the impact on our financial statements and estimates from a number of factors; pension obligation volatility and increased contributions to post-employment benefit plans; the expected timing and completion of the proposed disposition of Northwestel are subject to closing conditions, termination rights and other risks and uncertainties, including, without limitation, the purchaser securing financing, which may affect its completion, terms or timing and, as such, there can be no assurance that the proposed disposition will occur, or that it will occur on the terms and conditions, or at the time, currently contemplated, or that the potential benefits expected to result from the proposed disposition will be realized; the failure to attract, develop and retain a talented team capable of furthering our business strategy and operational transformation; the potential deterioration in employee morale and engagement resulting from staff reductions, cost reductions or reorganizations, and the de-prioritization of transformation initiatives due to staff reductions, cost reductions or reorganizations; the failure to adequately manage health and safety concerns; labour disruptions and shortages; reputational risks and the inability to meaningfully integrate sustainability considerations into our business strategy, operations and governance; the adverse impact of various internal and external factors on our ability to achieve our sustainability targets including, without limitation, those related to GHG reduction and supplier engagement; the failure to take appropriate actions to adapt to current and emerging environmental impacts, including climate change; the failure to develop and implement sufficient corporate governance practices; the inability to adequately manage social issues; health risks, including pandemics, epidemics and other health concerns, such as radio frequency emissions from wireless

communications devices and equipment; our dependence on third-party suppliers, outsourcers and consultants to provide an uninterrupted supply of the products and services we need and comply with various obligations; the failure of our vendor selection, governance and oversight processes, including our management of supplier risk in the areas of security, data and AI governance, privacy 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.

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 Annual Information Form and the BCE 2025 MD&A and, in particular, in section 9, *Business risks* of the BCE 2025 MD&A, on pages 91 to 103, of the BCE 2025 Annual Financial Report.

Forward-looking statements contained in this Annual Information Form for periods beyond 2026 involve longer-term assumptions and estimates than forward-looking statements for 2026 and are consequently subject to greater uncertainty. Forward-looking statements for periods beyond 2026 further assume, unless otherwise indicated, that the risks described above and in section 9, *Business risks,* of the BCE 2025 MD&A will remain substantially unchanged during such periods.

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. We regularly consider potential acquisitions, dispositions, mergers, business combinations, investments, monetizations, joint arrangements and other transactions, some of which may be significant. Except as otherwise indicated by us, 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 5, 2026. The financial impact of these transactions and special items can be complex and depends on 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.

2 Corporate structure

2.1 Incorporation and registered office

BCE Inc. was incorporated in 1970 and was continued under the *Canada Business Corporations Act* in 1979. It is governed by a certificate and articles of amalgamation dated August 1, 2004, as amended by: (a) a certificate and articles of arrangement dated July 10, 2006 to implement a plan of arrangement providing for the distribution by BCE Inc. to its shareholders of units in the Bell Aliant Regional Communications Income Fund and to consolidate outstanding BCE Inc. common shares; (b) a certificate and articles of amendment dated January 25, 2007 to implement a plan of arrangement providing for the exchange of Bell Canada preferred shares for BCE Inc. preferred shares; (c) a certificate and articles of amendment dated June 29, 2011 to create two additional series of BCE Inc. Cumulative Redeemable First Preferred Shares (first preferred shares); and (d) certificates and articles of amendment dated September 22, 2014 and November 11, 2014 to create six additional series of BCE Inc. first preferred shares. BCE Inc.'s head and registered offices are located at 1, Carrefour Alexander-Graham-Bell, Building A, Verdun, Québec H3E 3B3.

2.2 Subsidiaries

The table below shows BCE Inc.'s main subsidiaries at December 31, 2025, their jurisdiction of incorporation or formation and the percentage of voting securities that BCE Inc. directly or indirectly held in such subsidiaries on that date. BCE Inc. has other subsidiaries that have not been included in the table since each represented 10% or less of our total consolidated assets and 10% or less of our total consolidated operating revenues at December 31, 2025. These other subsidiaries together represented 20% or less of our total consolidated assets and 20% or less of our total consolidated operating revenues at December 31, 2025.

Subsidiary	Percentage of voting securities held by BCE Inc. at December 31, 2025[1]	Jurisdiction of incorporation or formation
Bell Canada	100 %	Canada
Bell Mobility Inc.	100 %	Canada
Bell Media Inc.	100 %	Canada
Northwest Fiber Ultimate Holdings, LLC	100 %	Delaware

[1] At December 31, 2025, BCE Inc. directly held 94.1% of the voting securities of Bell Canada and indirectly held the remaining 5.9% through its wholly-owned subsidiary, Bell MTS Inc. (Bell MTS). BCE Inc. indirectly held all the voting securities of: (i) Bell Mobility Inc. (Bell Mobility) through Bell Canada, which in turn indirectly held all the voting securities of Bell Mobility through its wholly-owned subsidiary, Bell Mobility Holdings Inc.; (ii) Bell Media Inc. (Bell Media) through Bell Canada; and (iii) Northwest Fiber Ultimate Holdings, LLC through Bell Canada, which in turn indirectly held all of the voting securities of Northwest Fiber Ultimate Holdings, LLC through its wholly-owned subsidiary, BCE Holding Corporation.

3 Description of our business

This section contains forward-looking statements, including, but not limited to, statements relating to our anticipated capital expenditures and network deployment plans, our fibre expansion in the U.S., our transformation initiatives and the benefits expected to result therefrom, the successful development and implementation of AI solutions, either by us or pursuant to certain partnerships entered into by BCE, our proposed acquisitions and dispositions, and our business outlook, objectives, plans and strategic priorities. Refer to section 1, Caution regarding forward-looking statements in this Annual Information Form.

3.1 General summary

BCE is Canada's largest communications company,[1] leading the way in advanced fibre and wireless networks, enterprise services and digital media. BCE delivers next-generation technology that leverages cloud-based and AI-driven solutions. BCE provides residential, business and wholesale customers with a wide range of solutions for all their communications needs.

On August 1, 2025, BCE acquired Ziply Fiber, the leading fibre Internet provider in the Pacific Northwest of the U.S. providing wireline, Internet and TV services to residential, business and wholesale customers in this region. The results from the acquired Ziply Fiber operations are included in a new segment, Bell Communication and Technology Services (Bell CTS) U.S., from the date of acquisition.

Our results are subsequently reported in three segments: Bell CTS Canada, Bell CTS U.S. and Bell Media. Our segments reflect how we manage our business and how we classify our operations for planning and measuring performance.

Bell CTS Canada provides a wide range of communication products and services to consumer, business and government customers across Canada. Wireless products and services include mobile data and voice plans, streaming services, and devices and are available nationally. Wireline products and services comprise data (including Internet access, Internet protocol television (IPTV), cloud-based services, AI-driven solutions and business solutions), voice, streaming services, and other communication services and products, which are available to our residential, small and medium-sized business and large enterprise customers primarily in Ontario, Québec, the Atlantic provinces and Manitoba, while satellite TV service and connectivity to business customers are available nationally across Canada. In addition, this segment includes our wholesale business, which buys and sells local telephone, long distance, data and other services from or to resellers and other carriers, as well as, in 2024, the results of operations of our national consumer electronics retailer, The Source (Bell) Electronics Inc. (The Source). In 2024, Bell wound down The Source head office and back office operations, as well as closed 107 The Source stores.

Bell CTS U.S., comprised of Ziply Fiber, provides wireline communication products and services over a combined fibre-based and copper-based network, to residential, business and wholesale customers in the Pacific Northwest of the U.S. Wireline products and services consist of data (including broadband Internet with varying speeds and value-added features, commercial ethernet, dedicated Internet-non-switched access and other data transport networking options) and voice (traditional and voice over Internet protocol (VoIP) voice services, including local, long distance, and unified communications as a service (UCaaS) and Video (IPTV)).

Bell Media holds a portfolio of assets providing premium video, audio, OOH advertising, and digital media services to customers nationally across Canada.

Additional information regarding our business operations and the products and services we provide can be found in section 1.2, *About BCE,* of the BCE 2025 MD&A, on pages 12 to 16 of the BCE 2025 Annual Financial Report. Additional information regarding the business outlook of our Bell CTS Canada, Bell CTS U.S. and Bell Media segments can be found in the sections entitled *Business outlook and assumptions,* of the BCE 2025 MD&A, on pages 58 to 59 , and 65 of the BCE 2025 Annual Financial Report.

In addition to our operating segments, we also hold investments in a number of other assets, including:

- a 50% indirect equity interest in Glentel Inc. (Glentel); and
- a 20.2% indirect equity interest in entities that operate the Montréal Canadiens Hockey Club, evenko and the Bell Centre in Montréal, Québec, as well as Place Bell in Laval, Québec.

A discussion of the key transactions completed by BCE since 2023 can be found in section 4.1, **Transactions**, of this Annual Information Form.

[1] *Based on total revenue and total combined customer connections.*

For the years ended December 31, 2025 and 2024, we generated consolidated operating revenues of $24,468 million and $24,409 million, respectively, and consolidated net earnings of $6,514 million and $375 million, respectively. For the year ended December 31, 2025, Bell CTS Canada's operating revenues totaled $21,289 million ($21,261 million external revenues), Bell CTS U.S.'s operating revenues totaled $392 million ($392 million external revenues) and Bell Media's operating revenues totaled $3,154 million ($2,815 million external revenues). For the year ended December 31, 2024, Bell CTS Canada's operating revenues totaled $21,619 million ($21,592 million external revenues) and Bell Media's operating revenues totaled $3,151 million ($2,817 million external revenues). A table showing the operating revenues that each segment contributed to total operating revenues for the years ended December 31, 2025 and 2024 can be found in section 4.3, *Operating revenues,* of the BCE 2025 MD&A, on page 42 of the **BCE 2025 Annual Financial Report**. A table showing the operating revenues of our Bell CTS Canada and Bell CTS U.S. segments by category of products and services can be found in section 5.1, *Bell CTS,* of the BCE 2025 MD&A, on pages 50 and 51 of the **BCE 2025 Annual Financial Report**.

Some of our segments' revenues vary slightly by season. For more information, refer to section 7.2, *Quarterly financial information – Seasonality considerations,* of the BCE 2025 MD&A, on page 83 of the **BCE 2025 Annual Financial Report**.

3.2 Strategic priorities

BCE's purpose is to advance how people connect with each other and the world. Our brand platform, *Connection is everything*, underscores our fundamental role in facilitating connections — enabling individuals and businesses to forge meaningful relationships, opportunities and experiences with each other, their communities and the wider world.

As Canada's largest communications company,[1] we strive to create exceptional experiences and positive, lasting impacts for the customers, businesses and communities we serve. Reliable, high-performance connectivity and digital solutions are foundational to modern life, supporting economic growth, social inclusion and innovation across the country. By continuing to invest in world-class fibre and wireless networks and by deploying cloud-based, AI-enabled technologies, we aim to help individuals, businesses and public institutions thrive in an increasingly digital and data-driven world.

Our primary business objectives are to grow our subscriber base profitably and to maximize revenues, operating profit, free cash flow and return on invested capital. We pursue these objectives by strengthening our position as the leading provider in Canada of comprehensive communications services to residential, business and wholesale customers; as a leading fibre Internet provider in the Pacific Northwest of the U.S. through Ziply Fiber; and as Canada's leading media and entertainment company. Across our operations, we seek to leverage our scale, networks, infrastructure, distribution channels, brand and marketing capabilities to create value for customers, shareholders and other stakeholders.

Our strategy is guided by four interconnected priorities that bring our purpose to life while strengthening customer experience, improving operational efficiency and supporting long-term value creation. These priorities are underpinned by our unique and differentiated assets across fibre, wireless, enterprise and media, and are focused on driving sustainable growth through network leadership, digital transformation and customer-focused innovation. Execution of our strategy is supported by a disciplined capital allocation approach tailored to a reshaped operating environment, reinforcing our objective to driving total shareholder return.

Bell's four strategic priorities

Additional information regarding our strategic priorities can be found in section 2, *Strategic priorities,* of the BCE 2025 MD&A, on pages 29 to 31 of the **BCE 2025 Annual Financial Report**.

[1] *Based on total revenue and total combined customer connections.*

3.3 Competitive strengths

Canada's largest communications company

We are Canada's largest communications company,[1] providing residential, business and wholesale customers with a wide range of solutions for all their communications needs, as described below:

- We are the largest local exchange carrier in Canada. BCE operates an extensive local access network in Ontario, Québec, the Atlantic provinces and Manitoba, as well as in Canada's Northern Territories.[2] We provide an expansive suite of wireless communications, wireline voice and data, including Internet access and TV, product and service offerings to residential, business and wholesale customers. We also own Bell Media, Canada's leading media and entertainment company with a portfolio of assets in premium video, audio, OOH advertising and digital media, monetized through traditional and digital platforms.
- We also offer competitive local exchange carrier services in Alberta and British Columbia.
- At December 31, 2025, BCE was one of the largest wireless operators in Canada based on number of subscribers, providing 10,451,584 mobile phone subscribers with nationwide mobile voice and data services. We also had 3,359,565 mobile connected device subscribers at December 31, 2025.
- BCE is one of the largest Internet service providers (ISP) in Canada based on number of subscribers, providing 4,890,602 (CTS Canada: 4,455,460, CTS U.S.: 435,142) retail customers at December 31, 2025 with high-speed Internet access through fibre-optic, wireless-to-the-premise (WTTP) and digital subscriber line (DSL) technology.
- BCE is one of the largest TV providers in Canada based on number of subscribers, nationally broadcasting a wide range of domestic and international programming to 2,085,630 (CTS Canada: 2,079,791, CTS U.S.: 5,839) IPTV retail subscribers at December 31, 2025 through its IPTV services, namely Fibe TV, the Fibe TV app and Virgin Plus TV, as well as its satellite TV service.
- BCE operated 1,722,178 (CTS Canada: 1,646,307, CTS U.S.: 75,871) retail residential network access service voice lines at December 31, 2025.
- Our business markets team maintains a leadership position, having established relationships with a majority of Canada's largest 100 corporations.

Our large customer base, our wireline and wireless network reach and our ability to sell through a variety of distribution channels, as discussed in more detail in section 3.4, **Marketing and distribution channels,** in this Annual Information Form, give us scale that supports the execution of our four strategic priorities. With a wireless network service footprint that encompasses more than 99% of Canada's population, a coast-to-coast national fibre transport network and a local exchange carrier footprint from Manitoba to the Atlantic provinces, BCE is well positioned to take advantage of integrated wireless and wireline solutions in the future.

Technologically advanced wireless networks and services

Through our Bell CTS Canada segment, we provide wireless services over technologically advanced wireless networks that are available to virtually all Canadians. We offer a broad range of wireless voice and data communication products and services to residential and business customers through our Bell brand, as well as our Virgin Plus and Lucky Mobile brands, which enhance our competitive market position by allowing us to compete more effectively with the Canadian industry's other discount brands, as well as regional facilities-based wireless service providers.

We are focused on maintaining our market share of national operators' postpaid mobile phone net customer activations, growing our prepaid mobile phone subscriber base, improving sales execution and customer retention, and introducing new devices and data services. We also believe our priorities for improved customer experience at all touch points, enhanced network quality and performance driven by effective spectrum deployment and carrier aggregation that support bandwidth and speeds, as well as a broad device offering, should continue to improve our ability to attract and retain wireless customers. With our fifth-generation (5G) and 5G+ wireless networks, fourth-generation (4G) long-term evolution (LTE) wireless network, LTE Advanced (LTE-A) network and our high-speed packet access plus (HSPA+) network, we are able to offer one of the broadest ranges of choice in wireless smartphones in Canada, along with extensive North American and international coverage. Bell also offers a LTE, Category M1 (LTE-

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[1] Based on total revenue and total combined customer connections.

[2] In June 2024, Bell Canada entered into an agreement for the disposition of Northwestel to Sixty North Unity, a consortium of Indigenous communities from the Yukon, the Northwest Territories and Nunavut, for up to $1 billion, subject to adjustments. We previously expected this transaction to close in 2025 and we continue to work with Sixty North Unity to close the transaction in 2026. The transaction remains subject to certain closing conditions, including securing financing by Sixty North Unity and, as such, there can be no assurance that the transaction will ultimately be consummated. The results of Northwestel are included in our Bell CTS Canada segment.

M) network, which is a subset of our LTE network supporting low-power Internet of Things (IoT) applications with enhanced coverage, longer device battery life and enabling lower costs for IoT devices connecting to Bell's national network.

Through our 5G and 5G+ wireless service, Bell offers enhanced mobile data speeds and the latest 5G and 5G+-capable smartphones. Bell is working with multiple equipment suppliers for its 5G rollout, including Nokia Corporation (Nokia) and Telefonaktiebolaget LM Ericsson (Ericsson).

Bell's 5G network covered 89% of Canada's population at December 31, 2025, a significant increase from the 26% of Canada's population covered at the end of 2020. In 2022, Bell launched its 5G+ network, a faster and more responsive service allowing for a superior mobile experience, and which covered 65% of Canada's population at December 31, 2025. Refer to section 3.5, **Networks – Wireless,** in this Annual Information Form for more details concerning our wireless networks.

Bell 5G was recognized as Canada's Fastest and Best 5G wireless network by Ookla in its Q3-Q4 2025 Speedtest Awards report.[3]

Advancing 5G and IoT solutions

Bell is working with a range of global and domestic 5G partners, including Ericsson and Nokia, to accelerate Canada's 5G innovation ecosystem. This includes continued investment in research and development (R&D) at Canadian institutions, such as a partnership between Western University and Bell creating an advanced centre for research into 5G applications across health (including mental health), transportation, education and other sectors. On the international stage, Bell is involved in the setting of global 5G standards with our participation in the Next Generation Mobile Networks consortium and 3rd Generation Partnership Project.

The high capacity and near instant connections offered by 5G support new consumer and business applications, including augmented and virtual reality (AR/VR), AI and machine learning, immersive entertainment services, connected vehicles, smart cities and enhanced rural access, and IoT opportunities for business and government enterprises.

On September 25, 2023, we announced that Bell, Verizon, Vodafone and independent software vendor Matsuko successfully conducted the first live transatlantic collaborative meeting connecting multiple holographic people in Canada, the U.S. and the United Kingdom using 5G and multi-access edge computing (MEC) technology and Matsuko's real-time software. The call was enabled by the speed of 5G combined with the quick response times of MEC. Through its active participation in the 5G Future Forum industry body, Bell supports the developer community to access 5G MEC technologies and for their solutions to take advantage of Bell's 5G network in Canada, and to interoperate globally.

On February 25, 2025, Bell Canada and Nokia announced a significant expansion of their 5G network infrastructure partnership, marking a major step forward in deploying cloud radio access network (RAN) and paving the way for future open RAN advancements. This multi-year contract extension will see Bell deploy Nokia's commercial cloud RAN solution, built on a foundation of Red Hat OpenShift and supported by Dell Technologies infrastructure. Nokia will supply equipment from its industry-leading, energy-efficient 5G AirScale portfolio to support Bell's cloud RAN deployments, ensuring feature and performance consistency throughout the network evolution. This collaboration leverages the power of cloud RAN to deliver immediate benefits to Bell's network. The cloud-native architecture, powered by Red Hat OpenShift, provides enhanced scalability and agility, helping enable Bell to rapidly adapt its network to meet fluctuating customer demands and swiftly introduce new services. This agility is further enhanced by the deployment of Dell PowerEdge servers at cell sites and data centres, providing the processing power and reliability needed for demanding 5G workloads.

On October 2, 2025, Bell, together with AST SpaceMobile, announced a milestone in its mission to connect all Canadians: the successful completion of a space-based direct-to-cell 4G voice over LTE (VoLTE) call, video call, broadband data connectivity and video streaming using the Bell Fibe TV app to a standard, unmodified smartphone over a Canadian wireless network. The demonstration, conducted in New Brunswick over the summer, also included successful SMS messaging and emergency alerts using Bell's powerful and reliable low-band spectrum. This achievement lays the groundwork for Bell's planned deployment of low Earth orbit direct-to-cell service in 2026.

Bell also provides a number of solutions in the IoT sector, which enable the interconnection of a range of devices and applications that send and receive data. Bell further offers global connectivity solutions for our IoT platforms and applications, which offer customers worldwide network access and the ability to manage all of their international devices remotely from a single web platform. Bell's lineup of innovative IoT applications includes connected telematics services, including security, safety, diagnostics and infotainment for vehicles; fuel tank monitoring and water management solutions; fleet management solutions connecting commercial vehicles to the Internet to provide web-based analytics to manage the fleet; connected laptop solutions, enabling LTE

[3] As awarded by Ookla®, a global leader in fixed and mobile network testing and analysis, in their Speedtest Awards™. Based on Ookla® Speedtest Intelligence® data, 2H 2025. All rights reserved.

connectivity directly from select LTE-enabled laptops; managed IoT security services that offer businesses, smart cities and other organizations employing IoT solutions a fully managed solution to detect and protect themselves from evolving cyber threats.

Next-generation high-speed Internet and TV services

Our strategic priority to deliver the best fibre and wireless networks has included the expansion of our fibre network to more homes and business locations. At December 31, 2025, our fibre-to-the-premise (FTTP) footprint covered approximately 8 million homes and businesses in Ontario, Québec, the Atlantic provinces and Manitoba. Our fibre network enables the delivery of Bell's next-generation fibre-optic high-speed Internet service marketed as Fibe Internet, offering symmetrical download and upload speeds of up to 8 gigabits per second (Gbps) with FTTP through our Gigabit Fibe 8.0 service, as well as download speeds of up to 100 megabits per second (Mbps) with fibre-to-the-node (FTTN). Refer to section 3.5, **Networks – Wireline – High-speed fibre deployment,** in this Annual Information Form for more details concerning the deployment of our fibre-optic high-speed Internet services.

For the sixth consecutive time, the Ookla Q3-Q4 2025 Speedtest Awards have named Bell Pure Fibre Canada's fastest Internet.[(4)]

On July 24, 2024, Bell announced the launch of its new Bell Business Wi-Fi App, designed to empower small businesses in Ontario and Québec with an enhanced Wi-Fi experience that combines improved security, customizable guest Wi-Fi, employee and customer data insights, and simplified network management. The Bell Business Wi-Fi App is available for small business owners in Ontario and Québec with Bell Pure Fibre Internet.

Bell also offers Wireless Home Internet (WHI), a fixed wireless broadband solution designed to serve customers in rural and underserved areas where fibre-based services are not available. WHI is delivered using Bell's wireless-to-the-premise (WTTP) technology over its LTE network and provides broadband download speeds of up to 50 Mbps. Bell's WTTP footprint covers approximately 1 million locations, primarily in rural communities, supporting residential Internet access in areas where FTTP deployment is not economically feasible.

Our fibre network also enables the delivery of Bell's IPTV services, marketed as Fibe TV.

Bell's hardware-free, app-based Fibe TV service provides access to a broad selection of live and on-demand content, including content available in 4K resolution ultra-high-definition on compatible devices, without the need for traditional set-top boxes (STBs). Key features include cloud personal video recorder (PVR), restart and transactional video-on-demand (TVOD) functionality. The Fibe TV app is available on compatible Smart TVs and streaming devices, including Samsung, LG and Roku Smart TVs, as well as Amazon Fire TV, Google Chromecast, Roku Streaming Stick and Apple TV.

In November 2024, Bell Canada expanded its TV offering with 11 new free, ad-supported TV (FAST) channels, available nationwide on the Bell TV and Virgin Plus TV apps. These channels are available with all TV packages and are seamlessly integrated into the customer's TV guide, appearing alongside their favourite live channels.

On August 12, 2025, Bell announced the deployment of a new subsea fibre optic cable system connecting Fogo Island and Change Islands to mainland Newfoundland. Funded in partnership with the Government of Canada under the Universal Broadband Fund, the project brings future-ready, Fibre-to-the-Home technology to Change Islands and Fogo Island.

On August 18, 2025, Bell announced the launch of Bell Streaming, a new way to bundle and save on top streaming services—starting with exclusive trio bundles featuring Crave, Netflix, and Disney+.

On September 4, 2025, Bell announced the launch of its new Giga Hub 2.0 modem, bringing Wi-Fi 7 – the world's best and latest Wi-Fi technology – to Canadian homes for the first time on its Pure Fibre network. Customers in major areas of Ontario, as well as Québec City and surrounding areas can now experience next-generation Wi-Fi performance built for today's connected lifestyles.

On September 23, 2025, Bell and the Government of New Brunswick announced a joint initiative to expand wireless infrastructure across the province with plans to build 10 new wireless sites. These new sites will provide more New Brunswickers with access to Bell's powerful 5G and 5G+ networks.

Our strong position in broadband Internet and TV and our broad suite of product offerings serve as a foundation for the other products and services we offer. This provides us with a significant number of established customer connections to drive uptake of new products and services, either through bundled offerings or on a standalone basis, and allows us to improve customer retention. In addition, our team continues to deliver network-centric business service solutions to large business and public sector clients, including cloud, security and workflow automation solutions, which are key to business communications today and increase the value of connectivity services.

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(4) As awarded by Ookla®, a global leader in fixed and mobile network testing and analysis, in their Speedtest Awards™. Based on Ookla® Speedtest Intelligence® data, 2H 2025. All rights reserved.

Expansion in the United States

On August 1, 2025, BCE announced the successful completion of its acquisition of Ziply Fiber, the leading fibre Internet provider in the Pacific Northwest of the United States for cash consideration of $3.64 billion in U.S. dollars ($5.01 billion in Canadian dollars), and the assumption of outstanding net debt of approximately $2.6 billion in Canadian dollars at closing. To accelerate expansion into the U.S. market, BCE and Public Sector Pension Investment Board (PSP Investments) announced on May 8, 2025 the formation of Network FiberCo, a long-term strategic partnership to accelerate the development of fibre infrastructure through Ziply Fiber, in underserved markets in the United States. Combined with the completion of the Ziply Fiber acquisition, this long-term strategic partnership will enable Bell to potentially reach up to 8 million fibre locations in the U.S., expanding Ziply Fiber's footprint outside of the U.S. Pacific Northwest, and reinforcing its position as the third-largest fibre Internet provider in North America.

Ziply Fiber provides wireline communication products and services over fibre-based and copper-based networks, to residential, business and wholesale customers in the Pacific Northwest of the U.S. Wireline products and services consist of data (including broadband Internet with varying speeds and value-added features, commercial Ethernet, dedicated Internet-non-switched access and other data transport networking options) and voice (traditional and VoIP voice services, including local, long-distance, and UCaaS and Video (IPTV).

Ziply Fiber's mission is to elevate the connected lives of people all across the Pacific Northwest of the U.S. Ziply Fiber delivers fast, reliable fibre Internet and voice connectivity to both residential and commercial customers and has extended its fibre network to more than 150 new markets across Washington, Oregon, Idaho and Montana since 2020, including new build expansion in dozens of cities and towns adjacent to original Ziply Fiber markets.

Ziply Fiber differentiates in the market by combining exceptional reliability and speed with simple, high-value product offerings that require no cumbersome contracts, bundling or price complexities. Pricing may vary from market to market to ensure highly competitive pricing based on competitive offers. In addition, Ziply Fiber is focused on delivering great customer experiences and service. Building on Ziply Fiber's culture of industry leadership and innovation, it was one of the first ISPs in the U.S. to deliver 5 Gig residential service at scale in 2022, then quickly became the fastest residential ISP in the Northwest with the introduction of symmetrical 10 Gig fibre service in April 2023, followed just seven months later by the introduction of America's Fastest Home Internet (50 Gig) across its entire fibre footprint. For business customers, Ziply Fiber delivers enterprise-grade connectivity solutions across fibre Internet, wavelength, private line, Ethernet, IP Transit, voice and data centre services.

Innovation in communications technology

Technological advancement plays a significant role in the success of our business. We invest in Canadian innovation and have spent $651 million in R&D capital expenditures in 2025. Our investments in R&D enable us to continue providing our customers with innovative products and services and to adopt new technologies that better support our own operations and our strategic priority to put the customer first. Our deployment of new and innovative networks and services is a direct result of our investment in R&D.

Bell has invested in developing data analytics capabilities and AI applications in multiple areas of its operations. Providing advanced technological solutions allows us to better differentiate our product and service offerings and to seek to provide greater value to our customers. As part of Bell's objective to remain at the forefront of technology and innovation in communications services and encourage the development of and expertise in new emerging technologies in Canada, we partner with a range of global and domestic organizations.

Launch of Bell Ventures: In 2022, Bell introduced Bell Ventures, its corporate venture capital initiative to encourage development of early-stage and growth companies that harness the power of Bell's networks to drive growth and adoption of advanced technological solutions. Building on Bell's history of innovation and investments, Bell Ventures is a natural extension of Bell's purpose to advance how Canadians connect with each other and the world. Bell Ventures invests in early-stage and growth companies that provide advanced technology solutions seeking to further differentiate Bell's 5G and fibre networks and deliver solutions for its customers, including in the areas of network, security, IoT, robotics, telematics, clean technology, data monetization and AI.

Partnership with Palo Alto Networks: On March 29, 2023, Bell announced a partnership with Palo Alto Networks to better support Canadian businesses managing their cloud security with the launch of two new cloud-native application protection platform (CNAPP) solutions, Cloud Security Posture Assessment and Cloud Security Posture Protection. These cybersecurity solutions identify threats to enterprise data in the cloud and provide managed services to protect data across complex hybrid, multi-cloud environments. On December 12, 2024, Bell announced a strategic partnership with Palo Alto Networks that brings together Bell's expertise in managed and professional services with Palo Alto Networks' industry-leading, AI-powered cybersecurity platforms. Building upon the customer success and service development initiatives launched in 2023, Bell will offer a full suite of services

across Palo Alto Networks' three platforms, delivering comprehensive protection against evolving cyber threats for customers in Canada.

Acquisition of FX Innovation and Related Matters: On June 1, 2023, Bell acquired FX Innovation, a Montréal-based provider of cloud-focused managed and professional services and workflow automation solutions for business clients. This acquisition combines FX Innovation's agility, start-up culture and cloud services expertise with Bell's next-generation fibre and 5G networks, resources, and scale to deliver leading-edge technology solutions for Canadian businesses. The acquisition aims to position Bell as a technology services leader for our enterprise customers. On November 29, 2023, Bell and ServiceNow, a digital workflow company, announced a collaboration to launch Service Bridge capabilities on the ServiceNow platform, leveraging FX Innovation's deep industry expertise to elevate the end-to-end experience for Bell customers with customized solutions and automation capabilities. On July 18, 2024, Bell and ServiceNow announced a multi-year strategic agreement to accelerate Bell's transformation to meet the growing customer demand for tech services and digital media. The renewed commitment makes Bell one of ServiceNow's largest communications customers with a first-of-its-kind collaboration in Canada. Bell will expand its use of the ServiceNow platform, supporting its own digital transformation while continuing to offer ServiceNow implementation expertise to support the digital transformation of its Bell Business Markets customers. On October 9, 2024, Bell announced the acquisition by FX Innovation of HGC Technologies (HGC), an Elite ServiceNow partner. HGC strengthens FX Innovation's expertise in process automation, cloud technologies and digital transformation, bringing strengths in business application development, HR and customer service delivery and a strong North American talent base to support growth. HGC's existing U.S. customer base aligns with FX Innovation's strategic plans for expansion into the U.S. market, providing immediate access to a new and growing customer segment.

Partnership with SentinelOne: On February 1, 2024, Bell announced a partnership with SentinelOne, Inc. (SentinelOne), a global leader in AI-powered security, to provide extensive data protection services for Bell's enterprise customers.

Collaboration with Mila: On February 2, 2024, Bell announced an 18-month collaborative project with Mila, a research institute in AI, to apply deep learning neural network algorithms to Bell's systems and data. Mila researchers will work alongside Bell's Machine Learning and AI teams to build on Bell's previous investments by using deep learning neural network techniques to identify opportunities to improve business performance and customer experience. By advancing its understanding of deep learning AI techniques, Bell seeks to continue to enhance its customer experience and accelerate its operational transformation. On June 13, 2024, Bell and Mila announced a new partnership to develop cutting-edge AI solutions, building on the 18-month collaborative project Mila and Bell entered into earlier in 2024 to apply deep learning neural network algorithms to Bell's environment. This collaboration is driven by a shared vision to enhance customer experience, optimize business operations and cultivate a vibrant AI ecosystem within Québec and across Canada. In line with Bell's significant investments in AI, this partnership reinforces Bell's business transformation, harnessing Mila's groundbreaking research to drive transformative improvements across Bell's operations.

Collaboration with Microsoft: On February 6, 2024, Bell announced a collaboration with Microsoft to expand its hybrid work solutions to help Canadian enterprises modernize their communications platforms with the launch of Bell Operator Connect, pairing Bell's high-quality voice network and Microsoft Teams. Bell is also advancing its company-wide digital transformation and workforce modernization in selecting Microsoft 365 as its cloud collaboration solution. On November 19, 2024, Bell expanded its collaboration with Microsoft by launching services for Microsoft Teams Phone Mobile to offer Canadian businesses a flexible, secure, high-performance communication solution. This innovative mobile-first solution integrates mobile numbers with Teams, enabling seamless calling and collaboration. Teams Phone Mobile provides a consistent user experience, simplifying business communication and boosting productivity and efficiency.

Google Cloud Contact Centre AI: On April 9, 2024, Bell announced the availability of Google Cloud Contact Center AI (CCAI) from Bell for Canadian businesses – the first fully AI solution for Bell enterprise and mid-market customers. Google Cloud's CCAI from Bell is a managed solution supported by professional services expertise that enables intelligent customer and agent experience leveraging generative AI-infused technology. Providing rich conversational experiences and analytics, Google CCAI from Bell offers scalability and flexibility that can be added to existing contact centre environments and to cloud contact centres of any size.

Acquisitions of Stratejm and CloudKettle: On July 9, 2024, Bell announced that it had acquired technical services companies Stratejm and CloudKettle Inc., adding professional and managed services expertise in cybersecurity and Salesforce digital workflow automation to its existing capabilities. These acquisitions will advance Bell's strategy to be the leader in supporting medium and large organizations' digital transformations and automation through cloud services. Combined with Bell's Pure Fibre and 5G networks, enterprises will benefit from an exceptional and seamless AI-powered end-to-end customer experience.

Partnership with Hyundai Motor Group: On July 25, 2024, Bell and Hyundai Motor Group (Hyundai) announced a multi-year extension of their strategic partnership to provide Canadian customers with advanced in-car connected infotainment services, raising the bar for in-vehicle experiences. Through Bell's IoT connectivity, Hyundai, Kia and Genesis customers in Canada will benefit

from fast and reliable access to infotainment features, with the partnership also exploring additional services such as over-the-air software updates, music/video streaming, casual gaming and eventually Wi-Fi hotspots, providing seamless connectivity on the go.

Collaboration with MacLean: On September 17, 2024, Bell and MacLean, the world's largest Canadian-based manufacturer of underground mining equipment, announced a technology collaboration to better support the evolving needs of mining customers. The innovations being introduced will improve equipment interoperability, enhancing safety for workers and driving sustainable practices and reduced vehicle emissions.

Ax-C: On October 8, 2024, Ax-C, a new hub for innovative entrepreneurship that opened in 2025, announced a multi-year partnership with Bell, Google, Desjardins and the Fonds de solidarité FTQ, representing a combined financial contribution of $5.25 million. This strategic private sector partnership will build a strong and dynamic ecosystem dedicated to the growth of startups in Québec.

Field Test with Ericsson: On April 15, 2025, Bell Canada and Ericsson announced they conducted a successful field test of AI-native link adaptation – the first globally. This innovative technology uses real-time AI to dynamically adapt networks in response to changes in signal quality, interference and other factors. The result is an enhanced user experience through increased throughput and spectral efficiency. This collaboration marks a significant breakthrough in applying AI to improve the performance of radio access networks.

Collaboration with Fortinet: On April 24, 2025, Bell announced the addition of Fortinet, a global cybersecurity leader driving the convergence of networking and security into its suite of enterprise tech service solutions. Through this collaboration, Bell will integrate Fortinet's leading Secure SD-WAN technology into its managed SD-WAN-as-a-Service, improving security and network performance for Canadian businesses.

Creation of Ateko: On May 6, 2025, Bell Canada unveiled Ateko, a dynamic new brand poised to revolutionize business operations with AI-driven automation and technology collaboration. The company serves clients across diverse sectors, including telecommunications, media, technology, public sector, utilities and finance. As an end-to-end solutions integrator and operator, backed by Bell's next-generation Pure Fibre and 5G networks, resources and scale, Ateko is positioned to challenge disconnected IT System Integration delivery models with significant growth and expansion in Canada and into new markets across the globe. One of the fastest growing tech services companies in Canada, Ateko is formed from the unification of Bell's acquired tech service providers: FX Innovation, CloudKettle and HGC Technologies. Maintaining its agile culture of ingenuity and operating under the leadership of CEO Guillaume Bazinet (co-founder of FX Innovation), Ateko will drive Bell's objective to help transform businesses with end-to-end automated cloud and IT solutions. On December 3, 2025, Ateko announced it has acquired SDK Tek Services Ltd., a highly respected Calgary-headquartered data engineering and analytics integrator. This acquisition supports Bell's strategic priority to lead in enterprise with AI-powered solutions and contributes to the development of a sovereign Canadian AI ecosystem.

Bell AI Fabric: On May 28, 2025, Bell Canada announced Bell AI Fabric, a major investment that will create the country's largest AI compute project and ensure that Canadian companies can continue to compete and win in the global AI economy. Bell AI Fabric will create a national network starting with a data centre supercluster in British Columbia that will aim to provide upwards of 500 MW of hydro-electric powered AI compute capacity across six facilities. On February 10, 2026, Bell Canada and SAP Canada announced a Memorandum of Understanding to jointly deliver a comprehensive Canadian-operated cloud solution designed to meet high standards of data protection and strengthen Canada's digital sovereignty. The partnership will combine Bell AI Fabric's secure national network, compute and data centre footprint with SAP Sovereign Cloud On-Site (SCOS) solution and Canadian-based operations team.

Partnership with Zoom: On May 20, 2025, Bell Canada and Zoom, a global leader in workplace communications, announced a partnership to offer Workplace from Bell and Zoom, an open collaboration platform with AI Companion, available to Canadian enterprises exclusively through Bell. This relationship reinforces Bell's objective to provide innovative, reliable and secure AI powered communication solutions that empower businesses to thrive in today's dynamic work environment.

Partnership with Cohere: On July 28, 2025, Bell Canada and security-first enterprise AI company Cohere announced a strategic partnership to provide full-stack sovereign AI solutions for government and enterprise customers across Canada and to deploy proprietary, secure AI solutions within Bell. Cohere will make its secure enterprise-grade AI solutions available through Bell AI Fabric, providing government and enterprise customers with access to fully sovereign, advanced models and customized applications. This includes leveraging North, Cohere's agentic AI platform for both customers and Bell employees. In turn, Bell will become Cohere's preferred Canadian AI infrastructure provider, while Cohere will become Bell's preferred Canadian agentic AI solution and LLM provider.

Partnership with Perplexity: On August 11, 2025, Bell announced a new partnership with Perplexity, a leading AI-powered answer engine, becoming the company's exclusive telecommunications partner in Canada. Through this partnership, eligible Bell customers will receive 12 months of complimentary access to Perplexity Pro, a premium AI research and productivity tool valued at nearly $300.

Partnership with BUZZ High Performance Computing: On August 19, 2025, BUZZ High Performance Computing (Buzz HPC), a wholly-owned subsidiary of HIVE Digital Technologies Ltd., a Canadian AI cloud provider and NVIDIA Cloud Partner, announced that it had signed a preferred partnership with Bell Canada to deliver one of Canada's largest sovereign AI ecosystems through Bell AI Fabric. BUZZ HPC will provide Bell's government and enterprise customers with access to NVIDIA Ampere, NVIDIA Hopper and NVIDIA Blackwell GPU clusters, scalable over NVIDIA Quantum-2 InfiniBand networking. BUZZ HPC's large-scale NVIDIA accelerated computing infrastructure, purpose-built for AI, machine learning and scientific computing, will be integrated with Bell AI Fabric's advanced fibre network, data centres and partner ecosystem, including Cohere. This combined capability supports a range of use cases, including developing AI foundational models and fine-tuning existing models all within Canada. By expanding accelerated computing infrastructure across multiple provinces, the collaboration ensures true nationwide reach. Canadian innovators will gain access to high-performing NVIDIA accelerated computing, hosted in secure, Canadian-owned facilities that comply with strict data residency and cybersecurity regulations.

Bell Cyber: On September 9, 2025, Bell announced the launch of Bell Cyber, a new brand complementing its growing AI-powered technology solutions business. Bell Cyber represents a pivotal step in Bell's strategy to lead as a North American technology services provider, delivering AI-powered, scalable and sovereign cybersecurity solutions that protect enterprises and strengthen Canada's digital future. On February 17, 2026, Bell Cyber and Radware® (NASDAQ: RDWR) announced the expansion of their partnership with an enhanced AI-driven, cloud-delivered security service designed to help organizations defend against increasingly automated and sophisticated cyberattacks. The expanded service integrates Radware's AI-based application security with Bell Cyber's fully managed security operations, designed to enable earlier identification of anomalous behaviour, blocking malicious traffic, and adapting protection as attack patterns evolve. The service is delivered through Bell Cyber's managed security model, reducing the operational burden on customer security teams.

MoU with Simon Fraser University: On September 16, 2025, Bell Canada and Simon Fraser University (SFU) announced a Memorandum of Understanding to collaborate on advancing Canada's AI and sovereign supercomputing ecosystem. This agreement will bolster Canada's sovereign AI infrastructure, promote the development of clean and sustainable data centre technologies and invest in Canada's AI talent pipeline. By investing in Canada's sovereign AI ecosystem, Bell and SFU will further contribute to Canada's economic resilience and national security by ensuring that Canadian organizations have access to secure, reliable and locally controlled AI resources.

MoU with Queen's University: On December 15, 2025, Bell and Queen's University announced that they have signed a Memorandum of Understanding to build and operate a next-generation, world-class AI supercomputing facility. This partnership will enhance Canada's AI capacity, drive domestic adoption of AI tools and strengthen digital sovereignty at a critical moment in our nation's history.

Other Bell Canada AI Solutions:

- On February 26, 2025, Bell Canada announced its network AI Ops solution built on Google Cloud, which has been successfully deployed and is already revolutionizing how it detects, analyzes and presents network issues. This AI-driven approach has significantly improved Bell's mean time to resolution, enabling proactive network management that enhances reliability and optimizes the customer experience.
- On March 26, 2025, Bell announced the launch of its Security-as-a-Service (SECaaS) solution, hosted on its Canadian sovereign cloud. This innovative service provides public and private sector organizations with top-tier cybersecurity solutions while ensuring data remains within Canadian borders, adhering to local privacy and security regulations.

Our significant media assets

Bell Media's range of video and audio content enhances the execution of our strategic priorities by leveraging our significant network investments, delivering compelling content across all screens and platforms, and enabling us to maximize strategic and operating synergies, including the efficiency of our content and advertising spend.

Bell Media's assets in video, audio, OOH and digital platforms are a key competitive advantage, as described below:

- Bell Media is the largest media and entertainment player and largest content acquirer and maker in Canada, leaning into digital while optimizing legacy and driving growth. We are a digital media and content powerhouse with global impact. We own key

marquee events in Canada, including national elections, Grey Cup, the Super Bowl, the Oscars, the Emmys, F1 and the 2026 FIFA Men's World Cup. Our iconic sports, entertainment and news brands and content drive more than 800 million hours of consumption by Canadians each month.

- We own Crave, a premium bilingual platform and the largest and most distributed Canadian-owned streaming service. Crave features a broad catalogue of sought-after content, including the global smash hit Crave Original Heated Rivalry alongside an extensive catalogue of original Canadian productions, box-office hits, Emmy Award-winning series and thousands of hours of exclusive French-language content. Crave is available direct to consumers and through participating service providers, with flexible subscription options, as well as bundled offerings. These include Disney+, TSN and ICI TOU.TV, providing subscribers with expanded choice and enhanced value across entertainment, sports and French-language programming. STARZ remains available through participating service providers and directly to consumers as a separate add-on. Through a subscription to Crave, Canadian subscribers have wide-ranging choice and convenience, providing access to HBO and Max Originals, Crave Originals, CTV, Noovo, news, select sporting events, a deeper collection of kids content, and content from Bell Media's suite of entertainment specialty channels including USA Network and Canal D. Crave also offers the option to register through a free account, providing ad-supported access to content from CTV and Noovo and a library of movies through CTV Movies and CTV Throwback.
- We own and operate 35 conventional TV stations, including CTV, Canada's #1 conventional network for 24 consecutive years in primetime (A25-54), trusted news brand CTV News and leading digital news destination **ctvnews.ca**, the top digital news destination in Canada for nearly two years. Additionally, we own the French-language Noovo network in Québec and digital news destination Noovo.info. Part of Noovo's multi-platform news division, our Noovo.info website offers exclusive original features dedicated entirely to news.
- We own and operate 24 specialty channels, including TSN, a leader in Canadian sports broadcasting, RDS, the top French-language sports network, Toronto's #1 news specialty station CP24, top English entertainment specialty channel CTV Comedy and Canal.
- We have one of the broadest lineups of sports rights in the world, with long-term rights to marquee brands and events including the National Football League (NFL), the Super Bowl, FIFA World Cup 2026, F1 (including the Canadian Grand Prix), The Masters, PGA, the Canadian Football League (CFL) and Grey Cup, Tennis Grand Slams including WIMBLEDON and the US OPEN, regional hockey rights including the Winnipeg Jets and Montréal Canadiens, and a large portfolio for women's sports, including Professional Women's Hockey League (PWHL) and Northern Super League (NSL).
- We own and operate five direct-to-consumer (DTC) services, including Crave, the exclusive home of HBO and Max Originals in Canada, STARZ, TSN, TSN+ and RDS. We own 13 English and French-language FAST channels, featuring a selection of acclaimed and fan-favourite entertainment, factual, news and sports programming. All 13 channels are available on LG Channels, Samsung TV Plus, Plex and The Roku Channel.
- We own 55 licensed radio stations across Canada, all available through iHeartRadio.ca and the iHeartRadio Canada app.
- We own the iHeartRadio Canada brand, with a wide range of content including more than 360 licensed Canadian radio stations across 170 markets, hundreds of thousands of podcasts, playlists and on demand content. In September 2025, Bell Media and iHeartMedia announced a long-term extension of their exclusive partnership, also providing Bell Media with Canadian representation of iHeartRadio's extensive podcast portfolio.
- We own Astral, a leader among Canada's OOH advertising companies, with strategically located advertising faces spanning across the country in more than 50 markets. Astral offers five product lines: outdoor advertising, street furniture, airport, large digital format and transit. We lead Canadian broadcast media competitors in the digital landscape in the number of unique visitors, page views and total minutes.
- Our majority ownership of Sphere Abacus now serves as the primary international distributor of our owned rights. This partnership expands our global reach, enhances monetization opportunities and strengthens our ability to bring compelling Canadian storytelling to international audiences.

Our competitive strengths also include synergies with BCE, across marketing, data and tech. From bundling Crave with Bell consumer offerings, including mobility, Internet and content, to marketing reach for Bell services across Bell Media platforms and to sharing technology and resources on product development. As well, Bell Media's competitive strength is bolstered by our broad reach across Canada, our ability to deliver top content across platforms, our constant drive to provide the most engaging and interactive experience for viewers and our ability to serve the needs of advertisers across multiple platforms.

Refer to section 2.4, *Build a digital and media content powerhouse* of the BCE 2025 MD&A, on page 31 of the **BCE 2025 Annual Financial Report**, for a description of certain agreements entered into and initiatives launched in 2025 by Bell Media.

3.4 Marketing and distribution channels

Bell CTS Canada and Bell CTS U.S.

The guiding principle driving our marketing strategy is to offer our clients the ultimate in reliable, simple and accessible communications services. In doing so, our objective is to increase customer acquisition, retention and loyalty through multiple service offerings.

Through the bundling of services, which combines high-speed Internet, TV, streaming and home phone, as well as wireless services, our goal is to use a multi-product offering to achieve competitive differentiation by offering a premium, integrated set of services that provides customers with more freedom, flexibility and choice. We also make use of limited-time promotional offers featuring discounted rate plans, special rates on wireless handsets and TV receivers, as well as other incentives, to stimulate new customer acquisition and retain existing customers or to respond to competitive actions in our markets.

We focus our marketing efforts, including with respect to Ziply Fiber, on a coordinated program of video, print, audio, Internet, outdoor signage, direct mail and point-of-sale media promotions. We engage in mass market advertising in order to maintain our brand and support direct and indirect distribution channels. Coordinated marketing efforts throughout our service area (in both Canada and the U.S. through Ziply Fiber) ensure that our marketing message is presented consistently across all our markets. Promoting the Bell brand is complemented by our other brand marketing efforts, reinforcing awareness of all our services and capitalizing on the size and breadth of our customer base across all product lines. In the U.S., Ziply Fiber also undertakes other brand marketing efforts, including organic content marketing efforts, event sponsorships and local philanthropic endeavours.

The Bell brands play a key role in product positioning. Our branding is straightforward and directly supports our strategy of delivering a better customer experience at every level.

Acquiring and retaining wireless subscribers is a key marketing objective that we seek to achieve through our networks and suite of leading-edge devices and services to drive higher usage and increased adoption of data services. We offer unlimited plans featuring unlimited data access with no overage charges. We also offer SmartPay device financing plans that let Bell Mobility customers buy their new smartphones with 24 interest-free installments separate from their service plan and we similarly offer Sweet Pay device financing plans for Virgin Plus customers. In addition, we offer Connect Everything plans that provide a way to link all of a customer's Bell devices with a pool of data to share across smartphones, tablets, smartwatches and other devices such as wireless trackers, security cameras and vehicles with Bell Connected Car. We also continue to offer discounts on the price of wireless handsets in exchange for a contractual commitment from a subscriber, a practice also used by other Canadian wireless operators. As the Canadian wireless market further matures and competition intensifies, customer retention is increasingly important. Accordingly, we employ customer retention initiatives aimed at increasing our customers' level of satisfaction and loyalty.

We also offer eligible customers the convenience of One Bill for Internet, TV, home phone, wireless and streaming services.

We deliver our products and services to residential wireless and wireline customers through:

- over 1,000 Bell, Virgin Plus, Lucky Mobile, Best Buy Express and Staples locations and/or branded dealers;
- retailers such as Walmart, Loblaws and Glentel's WIRELESSWAVE, Tbooth wireless and The Mobile Shop, as well as a network of regional and independent retailers in all regions;
- call centre representatives;
- our websites, including bell.ca, virginplus.ca and luckymobile.ca; and
- door-to-door sales representatives.

On January 31, 2023, Bell and Staples Canada ULC (Staples) announced a multi-year exclusive agreement to sell Bell, Virgin Plus and Lucky Mobile wireless and wireline services through Staples stores across Canada for consumers and small businesses. In addition, Bell and Staples partner to sell Bell wireless and wireline services direct to medium-sized businesses through the Staples Professional sales team, backed by Bell's advanced communications expertise.

On May 3, 2023, Bell announced a multi-year strategic agreement with Air Canada, which includes premier sponsorship of its free in-flight messaging for Aeroplan members and the distribution of complimentary subscriber identity module (SIM) cards on board to enable newcomers and visitors arriving in Canada to activate a wireless SIM while still in the air.

In 2024, Bell Canada announced a strategic partnership with Best Buy Canada to operate 167 The Source consumer electronics retail stores in Canada, which have been rebranded as Best Buy Express and offer the latest in consumer electronics from Best Buy along with exclusive telecommunications services from Bell. The first Best Buy Express was opened in Guildford Town Centre, Surrey, British Columbia on June 26, 2024. In addition, in 2024, Bell wound down The Source head office and back office operations, as well as closed 107 The Source stores.

On January 8, 2025, Bell and Corus Entertainment announced the expansion of a strategic, multi-year agreement for Corus networks to be distributed on Bell Fibe TV and Bell Satellite TV, including Corus' premier lifestyle networks, Flavour Network and Home Network.

On October 2, 2025, Bell announced the renewal of its long-standing partnership with the Canadian Olympic Committee (COC), extending through the 2032 Olympic Games. This milestone reflects Bell's continued commitment to empowering Canadian athletes and inspiring Canadians from coast to coast. With this renewal, Bell remains the Official Telecommunications Partner of Team Canada for the 2026, 2028, 2030 and 2032 Olympic Games.

For small and medium-sized business customers, our small and medium business team offers a wide range of wireline and wireless services, including Business Fibe Internet, Bell Total Connect, Business Phone and TV and IoT solutions, along with many other communications solutions, all designed for companies. All solutions are sold through dedicated call centre representatives and our bell.ca website, as well as our retail network and door-to-door sales representatives.

Communications solutions for large enterprise customers, including our wireless services, are delivered by our business markets team and our products and services are sold through dedicated sales representatives, certified resellers and competitive bids. By combining products and services, including professional services, into fully managed, end-to-end information and technology solutions, we have been successful in providing large enterprise customers with complex communications products and services. We continue to aim to differentiate ourselves in the marketplace by enhancing our customer service levels and offering solutions designed to provide superior service, performance, availability and security. We deliver expertise in key solution areas, including Internet and advanced network solutions, voice and collaboration solutions, cloud and workflow solutions delivered through Ateko, end-to-end cybersecurity solutions delivered through Bell Cyber, cloud-based contact centre and full-stack AI solutions through Bell AI Fabric.

Our wholesale business communications products and services are delivered by our wholesale team. They are sold through our dedicated sales representatives, web portals and call centres.

Bell Media

Bell Media's video, OOH and digital advertising customer base is comprised of large advertising agencies, which place advertisements with Bell Media on behalf of their customers, and advertisers who buy directly. Bell Media also has contracts with a variety of distribution partners under which subscription fees for video products are earned. Bell Media's radio broadcast customer base is comprised of both advertising agencies and businesses in local markets.

Bell Media's audio and video products are delivered to Canadians through a combination of over-the-air broadcast transmission, partnerships with traditional and digital distributors, and Bell Media's own digital platforms.

Crave is available through participating TV providers across Canada, which provide the added opportunity to access the Crave linear channels on traditional set-top boxes, as well as via on-demand channels, through the Crave app, **crave.ca** and on Amazon's Prime Video Channels. TSN and RDS are also available directly via the Internet through each brand's official website, the app and on Amazon's Prime Video Channels in Canada. Crave can be streamed on the web and through partner platforms such as iOS and Android mobile devices, Apple TV, Android TV, Amazon Fire TV, Bell Streamer, Chromecast, Roku, Samsung, LG, Hisense, Sony PlayStation and Xbox One. Finally, Bell Media's OOH business delivers its services through an inventory of OOH faces and street furniture equipment in key urban cities across the country.

Agreement with Amazon: On February 6, 2024, Bell Media announced that it had reached an agreement with Amazon to make its best-in-class streaming service, Crave, available on Prime Video Channels in Canada.

Acquisition of OUTFRONT: On June 7, 2024, Bell Media completed the acquisition of OUTFRONT Media Inc.'s Canadian OOH media business, OUTEDGE Media Canada.

Expansion of Partnership with Warner Bros. Discovery: On October 8, 2024, Bell Media announced that it had expanded its landmark partnership with Warner Bros. Discovery for the Canadian market, extending Crave for multiple years as the exclusive home of HBO and Max content. The expansion of Bell Media's existing licensing agreement with Warner Bros. Discovery announced in 2023 ensures Crave subscribers have continued access to a vast library of premium content for the foreseeable future. The new

agreement also includes a co-production commitment for original Canadian content with global appeal, licensing of Bell Media original content for use on Warner Bros. Discovery platforms outside of Canada and extended access to French-language content for use on Bell Media platforms.

Content and Licensing Agreement with NBCUniversal Global TV Distribution: On October 17, 2024, Bell Media announced a major content and licensing agreement with NBCUniversal Global TV Distribution. This agreement rebranded its specialty channels, Discovery and Investigation Discovery, as USA Network and Oxygen True Crime, respectively, as of January 1, 2025. A selection of popular shows from both channels also became available for streaming on Crave. Also on January 1, 2025, existing specialty channels Animal Planet, Discovery Science and Discovery Velocity were rebranded to CTV Wild, CTV Nature and CTV Speed, respectively, completing the revitalization of Bell Media's suite of Discovery channels.

Partnership with StackAdapt: On November 19, 2024, StackAdapt, a leading multi-channel advertising platform, and Bell Media announced a partnership to enable Bell Media's premium inventory across connected TV (CTV), display, video, audio and digital OOH channels through StackAdapt's platform. This collaboration offers agencies and brands unmatched reach and precision in digital advertising in Canada, backed by two of the country's foremost programmatic leaders.

Partnership with Shopsense AI: On December 18, 2024, Bell Media announced that it had partnered with Shopsense AI, the leader in shoppable TV technology, to bring innovative second-screen shopping experiences to millions of Canadian viewers. This collaboration marks Shopsense's first expansion outside of the U.S. and the first integration of its powerful Commerce OS into Canadian entertainment programming.

Agreement with Point Grey Pictures: On December 18, 2024, Bell Media announced that it had entered into an agreement with Point Grey Pictures to develop and produce an original scripted TV series from Point Grey and Lionsgate. The agreement was made through Lionsgate's first-look TV deal with Point Grey. As a company with roots in Canada, Point Grey will enhance its presence in the country through this agreement by producing its first scripted show for the Canadian market.

Expansion of Partnership with NASCAR: On January 16, 2025, NASCAR announced multiple media rights deals that bolster its presence in Canada, the sport's largest international market, highlighted by the expansion of its decades-long partnership with Bell Media. For the first time, Bell Media will be Canada's home for all three NASCAR national series as it adds NASCAR Craftsman Truck Series programming to its long-standing NASCAR Cup Series and NASCAR Xfinity Series rights.

Partnership with PAGEBOY Productions: On January 27, 2025, Bell Media and PAGEBOY Productions, founded by acclaimed actor, producer and advocate Elliot Page, announced a new partnership to develop bold, original scripted series for Crave and CTV. Under this agreement, their collaboration will explore content opportunities, with a joint dedication to spotlighting untold stories.

Expansion of Bell Media's Global Content Distribution footprint: On March 26, 2025, Bell Media announced that it had bolstered its existing partnership with Montréal-based Sphere Media by acquiring a majority stake in leading global content distributor Sphere Abacus, through parent company Sphere Media International. The acquisition serves as a launchpad for Bell Media's content distribution expansion, combining the strength of the two companies to accelerate growth and capitalize on new opportunities. Through Sphere Abacus, Bell Media is set to enhance the reach of Canadian content and creators with international audiences.

New Disney Streaming Bundle: On June 5, 2025, Bell Media and Disney Entertainment announced new streaming bundle offers for the Canadian market that include Disney+, Crave, and TSN, slated to launch later this year. At launch, the new bundles provide savings for viewers when they combine services together, giving customers access to a vast selection of premium content, including HBO and Max Originals, Crave Originals, Disney, Pixar, Marvel, Star Wars, National Geographic and TSN's deep and diverse roster of live and on-demand sports programming and much more.

Investment in Blink49 Studios: On June 9, 2025, Bell Media announced that it is making a strategic investment in independent production company, Blink49 Studios (Blink49). Based in Toronto, Vancouver and Los Angeles, Blink49 is known for its robust production pipeline and partnership capabilities within Canada, the U.S. and Europe. The investment, which sees Bell Media strike, alongside FIFTH SEASON, a production and global distribution partnership with Blink49, further enhances Blink49's capabilities as it continues to grow its slate of scripted and unscripted content.

Partnership with The Trade Desk: On June 5, 2025, Bell Media and The Trade Desk announced that key tools from the Bell Marketing Platform are now integrated into The Trade Desk's Kokai platform. The integration provides advertisers with seamless access to Bell's premium first-party data, custom audience-building capabilities and, in the future, advanced measurement and analytics solutions.

Agreement with PGA TOUR: On June 6, 2025, Bell Media and the PGA TOUR announced a multi-year broadcast extension, ensuring continued coverage of the PGA TOUR's marquee golf events across TSN, RDS and CTV.

Formula 1 Coverage: On June 12, 2025, TSN and RDS announced they will deliver complete live coverage of the biggest auto racing event in Canada when Formula 1®'s CANADIAN GRAND PRIX 2025 returns to the famed Circuit Gilles-Villeneuve in Montréal from June 13-15, 2025.

Entertainment and Sports Bundle available via Prime Video Subscriptions in Canada: On July 25, 2025, Bell Media announced that its entertainment and sports bundle featuring best-in-class streaming service Crave, with Canada's sports leaders, TSN and RDS, is now available via Prime Video Subscriptions in Canada. The bundles provide savings when services are combined compared to individual subscriptions and include access to Crave, featuring exclusives from HBO, the latest blockbusters, hit series and Crave Originals, plus the deepest roster of sports and championship moments when paired with TSN or RDS.

Agreement with RTC: On September 10, 2025, Astral, a division of Bell Media, announced a 10-year commercial agreement with the Réseau de transport de la Capitale in collaboration with Capitale Mobilité. Astral was selected following a call for proposals to manage advertising on buses and transit shelters in Québec City.

Expansion of Partnership with iHeartMedia: On September 12, 2025, Bell Media and iHeartMedia announced a long-term extension of their exclusive partnership, solidifying a commitment to deliver unparalleled audio entertainment experiences to audiences across Canada through iHeartRadio Canada. This renewed agreement builds upon nearly a decade of collaboration, which has seen iHeartRadio Canada become a leading digital audio platform, offering a wide range of content including more than 360 licensed Canadian radio stations across 170 markets, hundreds of thousands of podcasts, playlists and on demand content.

Partnership with Tubi: On October 3, 2025, Bell Media and Tubi, Fox Corporation's (NASDAQ: FOXA, FOX) ad-supported streaming service, announced a long-term strategic partnership across ad sales and content distribution, including Canadian titles from Bell Media's market-leading on-demand catalogue and FAST channel lineup. The partnership also includes plans to co-develop original content for distribution on Tubi globally, across Bell Media platforms in Canada and through Sphere Abacus, Bell Media's international content distribution company.

Agreement with FIBA: On October 6, 2025, Bell Media announced a multi-year partnership with both the International Basketball Federation (FIBA) and Canada Basketball which provides TSN and RDS with exclusive access to the upcoming FIBA Basketball World Cups for both women and men, in addition to the rights for other premium FIBA and Canada Basketball events.

Rights extension with Montréal Canadiens: On October 10, 2025, TSN, RDS and the Montréal Canadiens announced a landmark, long-term partnership ensuring Canada's Sports Leaders remain home to Montréal Canadiens regional broadcasts for years to come. Under the new agreement, Montréal Canadiens matchups continue to be available to subscribers located in the team's designated broadcast region on TSN, RDS and streaming live through the networks' digital platforms, featuring 50 games on TSN and 45 on RDS.

Launch of Outcomes Measurement Solution with Environics Analytics: On October 22, 2025, Bell Media, in partnership with Environics Analytics, announced the launch of its new Outcomes Measurement solution for TV campaigns. This measurement product will give advertisers a clear, comprehensive and privacy-first way to connect ad exposure to real-world outcomes including sales, leads, spend and more.

Rights Extension with Winnipeg Jets: On October 30, 2025, True North Sports + Entertainment and TSN confirmed a new multi-year rights extension, securing long-term exclusive access to regional Winnipeg Jets games for TSN. The continued partnership ensures Winnipeg Jets regional matchups continue to be available to viewers located in the team's designated broadcast region and streaming live through the network's digital platforms.

Crave Expansion: On November 26, 2025, Bell Media unveiled a significant transformation of its flagship streaming service, Crave. Canada's largest homegrown streamer just got bigger and better, offering direct access to live programming from leading Bell Media brands, including CTV and Noovo. Viewers can now enjoy more hit series, local and national news in both English and French, major sporting and live entertainment events including award shows, and an expanded kids' library. This is in addition to Crave's already vast library of English and French-language content, which includes HBO and HBO Max Originals and Crave Originals, totalling more than 40,000 hours of content.

Partnership with Loblaw Advance: On December 3, 2025, Bell Media and Loblaw Advance™ introduced a first-to-market, closed-loop measurement solution for video advertisers, covering linear TV and Connected TV. Announced at the IAB Canada's Report on Data in Toronto, Ontario, the joint offering delivers comprehensive, privacy-compliant measurement, combining Bell Media's premium inventory and robust first-party data with extensive point-of-sale insights from Loblaw Advance™.

Other Bell Media Initiatives:

- In April 2024, Bell Media announced the launch of FAST channels, featuring a wide variety of content in English and French. Currently, Bell Media offers 11 FAST channels across major platforms, including Bell TV, Roku, LG Channels, Samsung TV Plus and more.
- On September 6, 2024, Bell Media announced that its TSN service was available on Prime Video Channels in Canada, and on October 29, 2024, RDS was also made available on Prime Video Channels in Canada.
- On January 17, 2025, Bell Media announced new bundle subscription options for Crave, TSN and RDS. The Ultimate Entertainment and Sports Bundle includes Crave and TSN for English-language programming and Crave and RDS for French-language programming.
- On August 5, 2025, Bell Media announced new, more flexible terms across TV, audio, digital and OOH, making it easier for advertisers to plan and activate campaigns across platforms. With a growing cohort of clients leaning into multiplatform strategies, these unified terms streamline the buying process — driving greater efficiency, faster execution and more flexibility.
- On October 1, 2025, Crave announced that its Standard With Ads tier is available for purchase on Prime Video. Prime Video customers can subscribe directly through their account for $11.99/month via primevideo.com/crave.

3.5 Networks

The telecommunications industry is evolving rapidly as it continues to move from multiple service-specific networks to Internet protocol (IP)-based integrated communications networks that can carry voice, data and video traffic. We continue to work with key vendor partners to expand our national multi-service IP-enabled networks.

Our communications networks provide wireless and wireline voice, data and video services to customers across Canada. Our infrastructure includes:

- national transport networks for voice, data and video traffic, including Internet traffic;
- urban and rural access networks and infrastructure for delivering services to customers; and
- national wireless networks that provide voice, data and video services.

Wireless

To provide wireless connectivity, we have deployed and operate a number of nationwide wireless broadband networks compatible with global standards that deliver high-quality and reliable voice and high-speed data services. With our high-speed data network, we are able to offer Canadian consumers a broad range of choice in wireless smartphones, as well as touch-screen tablets, IoT devices and other devices designed for data services such as video and audio streaming, IoT communications, e-mail, messaging, Internet access and social networking. We also support international roaming in over 230 destinations, with LTE roaming in 216 destinations and 5G roaming in 135 destinations.

HSPA+ network

Our wireless HSPA+ network offered high-speed mobile access to 99% of Canada’s population at December 31, 2025, covering thousands of cities and towns in both urban and rural locations. The HSPA+ network supports global roaming, as well as a wide range of smartphones, data cards, universal serial bus (USB) sticks, tablets and other leading-edge mobile devices. The vast majority of the site connectivity for the HSPA+ network was built with high-speed fibre and an all-IP architecture for enhanced reliability.

On January 12, 2026, we discontinued our wireless HSPA+ network in Manitoba, which reduced our wireless HSPA+ network coverage to 95.4% of Canada’s population.

4G LTE network

With Bell’s 4G LTE wireless network coverage, customers have data access speeds similar to those of broadband connections and significantly faster than our HSPA+ network, making it easier for users to download applications, stream high-definition videos and music, play online games, or videoconference and chat with virtually no delays or buffering. The HSPA+ and LTE networks work together such that most Bell LTE devices support both networks.

Our LTE wireless network reached more than 99% of Canada’s population at December 31, 2025, with expected average download speeds of 18 to 40 Mbps.

LTE-A network

By assigning multiple radio channels or carriers to one user, LTE-A technology delivers expected average speeds of 25 to 325 Mbps. Bell's LTE network is capable of delivering Quad-band LTE-A service. Quad-band technology leverages four bands of wireless spectrum to boost peak LTE-A speeds to the gigabit level. In addition to employing a combination of carrier aggregation, Bell also uses 256 QAM and 4X4 MIMO technologies to increase spectrum efficiency and multiply capacity. Bell's enhanced LTE-A network is available in select cities across Canada.

At December 31, 2025, we provided LTE-A network service to 96% of the population in Canada.

LTE-M network

Our LTE-M network is a subset of our LTE network supporting low-power IoT applications with enhanced coverage, longer device battery life and enabling lower costs for IoT devices connecting to Bell's national network. An expanded reciprocal roaming partnership with AT&T Inc. (AT&T) provides Bell Canadian business customers with access to AT&T's LTE-M network across the U.S. and also enables AT&T's customers to roam on Bell's national LTE-M network in Canada. Our LTE-M network is available in most Canadian provinces.

5G network

Our 5G wireless network enables us to offer enhanced mobile data speeds and the latest 5G-capable smartphones. The high capacity and near-instant connections offered by mobile 5G will support new consumer and business applications, including AR/VR, AI and machine learning, immersive entertainment services, connected vehicles, smart cities and enhanced rural access and IoT opportunities for business and government enterprises. In 2021, Bell acquired significant additional mid-band, flexible-use 3500 MHz wireless spectrum in the auction conducted by ISED. On November 30, 2023, Bell announced that it had secured the right to acquire 939 wireless spectrum licences in the 3800 MHz spectrum auction for $518 million. On January 17, 2024, Bell made a first payment of $104 million to ISED. The remaining balance of $414 million was paid on May 29, 2024, at which time Bell acquired the 3800 MHz spectrum licences. On February 6, 2026, ISED announced the provisional results of the 2026 Auction of Residual Spectrum Licences. Bell Mobility secured the right to acquire 63 spectrum licences for $13.5 `million or approximately $0.18 per MHz-Pop. The first payment of $2.7 million was due on February 20, 2026, and the remaining $10.8 million is due on March 20, 2026. Essential to Canada's ongoing transition to 5G communications, these high-capacity airwaves support Bell's delivery of enhanced 5G digital experiences to Canadian consumers and businesses in urban, rural and remote communities.

Bell's 5G network covered 89% of Canada's population at December 31, 2025, a significant increase from the 26% of Canada's population covered at the end of 2020, attributable in part to our capital expenditure acceleration program, which provided for $1.7 billion in additional network funding in 2021 and 2022, in addition to the approximately $4 billion that Bell typically spent each year in network expansion and enhancement prior to 2020.

In July 2022, Bell began deploying 3500 MHz wireless spectrum, unleashing the next phase of 5G advancement and allowing Bell to launch its 5G+ network. Bell 5G+ is faster and more responsive than our 5G wireless network, allowing for a superior mobile experience. Initially launched in southern Ontario, the 5G+ network was expanded to Manitoba and many centres across Atlantic Canada, as well as in other communities and reached 65% of Canada's population at December 31, 2025, with the availability of peak theoretical download speeds of up to 4.3 Gbps in select markets and average expected download speeds of 89 to 705 Mbps.

In 2022, Bell also announced plans to roll out a 5G standalone core network, starting in Toronto. The addition of 3500 MHz wireless spectrum allows Bell to deliver a new 5G core network to Canadian businesses, supported by world-class SA architecture to unlock even faster speeds and ultra-low latency. Over time, a 5G SA core network will provide additional benefits such as network slicing and is expected to enable a full range of 5G features and functionality for both enterprise and consumer use cases and support the growth of IoT.

Wireline

Voice and data network

Our national voice and data network consists of an optical fibre network with the latest technologies to provide redundancy and fault protection. It reaches all major Canadian metropolitan centres, as well as New York, Chicago, Boston, Buffalo, Detroit, Minneapolis, Ashburn (Virginia), Seattle and Secaucus in the U.S.

Our network in major Canadian cities provides state-of-the-art high-speed access at multi-gigabit speeds based on IP technology. We operate a national IP multi-protocol label switching network with international gateways to the rest of the world. This network

delivers next-generation, business-grade IP virtual private network (IP VPN) services that connect our customers' offices throughout Canada and around the world. The IP VPN service is the foundation platform required for the delivery of business service solutions that add value and efficiencies to customers' businesses. These technology solutions include voice over IP/IP telephony, IP videoconferencing, IP call centre applications and other future IP-based applications. In addition, we maintain extensive copper and voice-switching networks that provide traditional local and interexchange voice and data services to all business and residential customers in Ontario, Québec, the Atlantic provinces and Manitoba.

In April 2021, Bell announced commercial 400-gigabit wavelength service deployed across major spans of Bell's fibre infrastructure to deliver significantly increased connectivity speed and capacity while optimizing network performance and energy efficiency. 400-gigabit technology increases fibre capacity using less network hardware and more automation to deliver four times the data speed and 50% more capacity per wavelength than 100-gigabit core infrastructure or previous technology.

Key traffic routes span more than 25,000 kilometres across Canada and into the U.S.

On November 16, 2021, Bell and Nokia announced the first successful test of 25G passive optical network (PON) fibre broadband technology in North America, which validates that current GPON and XGS-PON broadband technology and future 25G PON can work seamlessly together on the same fibre hardware that is being deployed throughout the network. 25G PON delivers significant symmetrical bandwidth capacity that will support new use cases such as premium service and 5G transport. Further, in partnership with Nokia, Bell achieved a significant advancement in Canadian broadband technology with the successful completion of the country's first 50G PON technology trial at our Advanced Technical Lab in Montréal. To do this, we leveraged our existing fibre infrastructure to provide even faster Internet speeds to customers.

High-speed fibre deployment

Our strategic priority to deliver the best fibre and wireless networks has included the expansion of our fibre network to more homes and business locations. Bell has invested significantly to deploy FTTP connections to overlay legacy copper infrastructure, with fibre directly to homes and businesses. In addition, Bell continues to deploy FTTP to all new urban and suburban housing developments in Ontario, Québec, the Atlantic provinces and Manitoba, in addition to Bell's ongoing deployment of FTTP to multi-dwelling units and business locations. In our view, FTTP, in which optical fibre cables are used to connect each and every location, is the best available network architecture to support future bandwidth-demanding IP services and applications. Our residential fibre-optic Internet service, marketed as Fibe Internet, is enabled by our fibre network, offering symmetrical download and upload speeds of up to 8 Gbps with FTTP through our Gigabit Fibe 8.0 service, as well as download speeds of up to 100 Mbps with FTTN.

Introduced in April 2022, the Bell Gigabit Fibe 3.0 service was initially offered in eligible areas of Toronto and has since been rolled out in several communities across Ontario, Québec, Manitoba and the Atlantic provinces. Further, in Q1 2025, the Bell Gigabit Fibe 8.0 service was re-introduced to the market.

Bell Gigabit Fibe service includes the new Giga Hub 2.0 with Wi-Fi 7, enabling faster speeds and lower latency when used with a compatible device and allowing customers to work, learn, video chat, stream and game online on any or all of their household devices simultaneously.

In 2025, Bell expanded its Pure Fibre network across Atlantic Canada, Québec, Ontario and Manitoba and completed a subsea link to Fogo Island and Change Islands in Newfoundland and Labrador, improving service in remote communities.

In 2025, our planned capital spending was focused on our strategic priorities, reflecting an appropriate level of investment in our networks and services. The CRTC's decisions imposing an aggregated wholesale high speed access to FTTP facilities obligation, and, in particular, making Telus and Rogers eligible to resell services on Bell Canada's FTTP network have undermined Bell Canada's incentives to invest in next-generation wireline networks. As a direct result, Bell Canada has reduced its capital expenditures in Canada by $593 million in 2025 alone and by over $1.2 billion since the interim decision relating to this matter in November 2023. Consequently, our near-term fibre build target of 8.3 million locations by the end of 2025 was not reached. At December 31, 2025, our FTTP footprint covered approximately 8 million homes and businesses in Ontario, Québec, the Atlantic provinces and Manitoba.

In addition to our Fibe Internet service, we offer Internet under the Virgin Plus brand for customers in Québec. This high-speed Internet service offers existing Virgin Plus customers download speeds of up to 1 Gbps and upload speeds of up to 100 Mbps. The Virgin Plus brand is destandardized in Ontario; however we maintain Internet service for existing Virgin Plus customers in that province.

Additionally, we continue to deploy our IPTV services in areas in Ontario, Québec, the Atlantic provinces and Manitoba where cable providers had long been dominant. As of December 31, 2025, our IPTV services had the capacity to service approximately 9.9 million homes in major cities and municipalities across Ontario, Québec, the Atlantic provinces and Manitoba.

On August 1, 2025, BCE announced the successful completion of its acquisition of Ziply Fiber, the leading fibre Internet provider in the Pacific Northwest of the United States for $5.0 billion in Canadian dollars ($3.65 billion in U.S. dollars) in cash, and the assumption of outstanding net debt of approximately C$2.6 billion at closing. To accelerate expansion into the U.S. market, BCE and PSP Investments announced on May 8, 2025, the formation of Network FiberCo, a long-term strategic partnership to accelerate the development of fibre infrastructure through Ziply Fiber in underserved markets in the United States. Combined with the completion of the Ziply Fiber acquisition, this long-term strategic partnership will enable Bell to potentially reach up to 8 million fibre locations in the U.S., reinforcing its position as the third-largest fibre Internet provider in North America.

Ziply Fiber provides wireline communication products and services over a combined fibre-based and copper-based network to residential, business and wholesale customers in the U.S. Pacific Northwest. Wireline products and services consist of data (including broadband Internet with varying speeds and value-added features, commercial ethernet, dedicated Internet-non-switched access and other data transport networking options) and voice (traditional and VoIP voice services, including local, long-distance and UCaaS and Video (IPTV).

WTTP

WTTP is 5G-capable fixed wireless technology delivered over Bell's wireless network using 3500 MHz spectrum to deliver high-speed Internet service to residents in smaller and underserved communities. WTTP enables Bell's WHI broadband service and complements its FTTP network.

In 2021, Bell completed the buildout of its WHI service in small towns and rural communities across Ontario, Québec, the Atlantic provinces and Manitoba, reaching its target of 1 million locations one year ahead of schedule. The accelerated rollout of its WHI service formed part of Bell's capital expenditure acceleration program, which provided for additional network funding in 2021 and 2022.

Bell delivers WHI service with 50/10 to a majority of customers. Innovation in WTTP complements Bell's extensive broadband fibre buildout in urban markets and our deployment of WTTP in rural locations underscores our focus on the full utilization of Bell's assigned wireless spectrum resources.

DSL

We also offer DSL-based Internet service in areas where Fibe Internet and WHI are not available, with download speeds of up to 10 Mbps in Manitoba, 7 Mbps in Atlantic Canada and 5 Mbps in Ontario and Québec.

Satellite TV service

We provide satellite TV service nationwide under the Bell TV brand using satellites operated by Telesat Canada.

3.6 Employees

The table below shows the number of BCE employees at December 31, 2025 and 2024.

Number of employees at December 31	2025	2024
Bell CTS Canada	32,466	35,426
Bell Media	4,525	4,964
Bell CTS U.S.	1,692	N/A[2]
Total[1]	**38,683**	**40,390**

(1) The total number of BCE employees at the end of 2025 declined by 1,707 from 40,390 at December 31, 2024 due to workforce reductions, natural attrition and retirements , partly offset by an increase in our employee base as a result of the acquisition of Ziply Fiber made on August 1, 2025 and other small acquisitions made in the year.

(2) Bell CTS U.S. was not a reportable segment of BCE until 2025 in connection with the completion of the acquisition of Ziply Fiber.

As of December 31, 2025, approximately 39% of BCE employees were represented by unions and covered by collective agreements.

The following collective agreements covering 250 or more employees were ratified in 2025:

- The collective agreement between TEAM and Bell MTS TEAM covering approximately 346 employees expired on February 19, 2025. A new collective agreement was ratified on October 6, 2025.
- The collective agreement between Unifor and Bell MTS Unifor covering approximately 316 employees expired on December 19, 2025. A new collective agreement was ratified on September 19, 2025.

- The collective agreement between Unifor 723M Media and Bell Media CTV Specialties 723M covering approximately 381 employees expired on May 31, 2025. A new collective agreement was ratified on October 9, 2025.
- The collective agreement between Unifor and Bell Atlantic Craft and Clerical covering approximately 1,098 employees expired on December 31, 2025. A new collective agreement was ratified on December 10, 2025, prior to expiry of the existing agreement.
- The collective agreement between IBEW and Northwestel covering approximately 298 employees expired on December 31, 2025. The collective agreement has not yet been ratified. A tentative agreement was reached on February 2, 2026; voting dates have not yet been scheduled.

The following collective agreements covering 250 or more employees will expire in 2026:

- The collective agreement between Unifor and BTS Craft Quebec covering approximately 1,642 employees expires on May 8, 2026. Negotiations commenced in the first quarter of 2026.
- The collective agreement between Unifor and BTS Craft Ontario covering approximately 2,526 employees expires on May 9, 2026. Negotiations commenced in the first quarter of 2026.
- The collective agreement between Unifor 79M Media and Bell CTV Agincourt covering approximately 487 employees expires on December 31, 2026. Negotiations are expected to commence in the fourth quarter of 2026.

No collective agreements covering 250 or more employees have already expired at the time of this Annual Information Form.

3.7 Corporate responsibility

General

BCE has adopted a range of sustainability policies that are supported by various programs and initiatives. These policies address issues of importance to our many stakeholders, including, but not limited to: preventing conflicts of interest; protecting company assets; safeguarding privacy and confidentiality; treating clients, business partners, team members and competitors with respect and honesty; fostering a safe workplace; protecting the environment; and responsible use of AI.

These BCE policies include, among others, the following:

- Code of Business Conduct
- Data Governance Policy
- Information Security Policy
- Privacy Policy
- Environmental Policy
- Supplier Code of Conduct
- Procurement Policy
- Political Contributions Policy
- Journalistic Independence Policy
- Mandatory Reporting of Internet Child Pornography
- Health & Safety Policy
- Employee Privacy Policy
- Mental Health Policy Statement
- Workplace Violence and Harassment Prevention Policy
- Community Investment Policy
- Human Rights and Accommodation Policy
- Indigenous Policy
- Responsible Artificial Intelligence Policy

Additional information regarding our corporate governance and risk management practices, as well as our corporate responsibility strategy and related activities and outcomes, can be found in our integrated annual report available at bce.ca, as well as in section

1.5, *Corporate governance and risk management* and section 1.6, *Capitals and our corporate responsibility,* of the BCE 2025 MD&A, on pages 20 to 28 of the **BCE 2025 Annual Financial Report**.

Environment

Our Environmental Policy, which is reviewed annually, contains principles ranging from exercising due diligence to meet requirements of environmental legislation that applies to us, to preventing pollution and promoting cost-effective resource and waste minimization initiatives. We have instructed subsidiaries subject to this policy to support these principles and have established an executive-level committee to oversee the implementation of the policy. We monitor our operations to seek to ensure that we comply with our Environmental Policy and environmental requirements and standards.

Since 2009, Bell Canada has maintained an environmental management system certified to the ISO 14001 standard,. This certification covers Bell Canada's internal governance to ensure execution of the environmental management system associated with the development of policies and procedures for the delivery of services by Bell Canada for business sectors network and broadband services (wireline, wireless, Internet, TV), cloud and data hosting, broadcast services (radio, digital platform and TV) and connectivity and advertising technology and event promotion.

For the year ended December 31, 2025, we spent $16.1 million as expenses and $13.3 million as capital expenditures for environmental activities. For 2026, we have budgeted $15 million of expenses and $13 million of capital expenditures for environmental activities.

Additional information regarding our environmental activities can be found in section 1.6, *Capitals and our corporate responsibility,* of the BCE 2025 MD&A, on pages 23 to 28 of the **BCE 2025 Annual Financial Report**.

3.8 Competitive environment

A discussion of our competitive environment can be found in section 3.3, *Principal business risks* and the various subsections entitled *Competitive landscape and industry trends* and *Principal business risks,* of the BCE 2025 MD&A, on pages 34 to 35, 55 to 58, 60 to 61, 63 to 64 and 66 of the **BCE 2025 Annual Financial Report**.

See also section 3.3, **Competitive strengths,** in this Annual Information Form for more information concerning our competitive position.

3.9 Regulatory environment

A discussion of certain legislation that governs our businesses, as well as government consultations and recent regulatory initiatives and proceedings affecting us, can be found in section 8, *Regulatory environment,* of the BCE 2025 MD&A, on pages 84 to 90 of the **BCE 2025 Annual Financial Report**.

More information about the Canadian ownership restrictions on BCE's common shares can be found in section 5.1, **BCE securities,** in this Annual Information Form.

3.10 Intangible properties

Intellectual property

We use various works protected by intellectual property rights (IP Assets), which we own or for which we have been granted rights of use. These IP Assets include, without limitation: brand names; trademarks such as names, designs and logos; copyrights of content, programs and musical works; broadcast signals, software and applications; domain names; patents or patent applications for inventions owned or produced by us and our employees; and various other copyright materials, trademarks, patents and other intellectual property owned or licensed by us. We derive value through the use of these IP Assets in various business activities and they are important to our operations and our success. To protect these IP Assets, we rely on a combination of legal protections afforded under copyright, trademark, patent and other intellectual property laws, as well as contractual provisions under licensing arrangements.

In particular, the Bell brand plays a key role in product positioning. Our branding is straightforward and directly supports our strategy of delivering a better customer experience at every level. Our trademark rights are perpetual, provided that their

registrations are renewed on a timely basis when applicable and that the trademarks are used in commerce by us or our licensees. Other types of intangible proprietary information are also important to our operations, such as customer lists.

We believe that we take reasonable and appropriate measures to protect, renew and defend our IP Assets, including prosecuting infringers, and we take great care not to infringe on the intellectual property rights of others. However, we cannot provide any assurance that the laws protecting intellectual property in various jurisdictions are, or will continue to be, adequate to protect our IP Assets or that we will be successful in preventing or defending claims by others asserting rights in or to our IP Assets, or enforcing their intellectual property rights.

Spectrum and broadcasting licences

Our intangible assets also include spectrum licences from ISED, which provide us with the right to utilize designated wireless spectrum to provide our wireless services and broadcasting licences from the CRTC, which enable us to deliver Bell Media's content to Canadians.

Our wireless spectrum licence holdings extend across various spectrum bands and regions across Canada, totalling more than 8.6 billion MHz-Pop, corresponding to an average of approximately 234 MHz of spectrum per Canadian.[1] Prior to 2022, we deployed 600 MHz, 700 MHz, 2300 MHz, 2500 MHz, 1900 MHz, AWS and 850 MHz as part of our wireless networks. In 2022, we began deploying our 3500 MHz spectrum acquired in the 2021 auction. In 2024, we began deploying our 3800 MHz spectrum acquired in the 2023 auction. We intend to renew existing licences to meet network capacity requirements.

On November 30, 2023, Bell Mobility announced that it had secured the right to acquire 939 licences of 3800 MHz spectrum for 1.77 billion MHz-Pop for $518 million. This acquisition will increase Bell's total 3500 MHz and 3800 MHz spectrum holdings to 3.5 billion MHz-Pop, acquired at an average cost of $0.79 per MHz-Pop. On January 17, 2024, Bell made a first payment of $104 million to ISED. The remaining balance of $414 million was paid on May 29, 2024, at which time Bell acquired the 3800 MHz spectrum licences.

Also, on February 6, 2026, ISED announced the provisional results of the 2026 Auction of Residual Spectrum Licences. Bell Mobility secured the right to acquire 63 spectrum licences for $13.5 million or approximately $0.18 per MHz-Pop. The first payment of $2.7 million was due on February 20, 2026, and the remaining $10.8 million is due on March 20, 2026.

Broadcasting licences issued by the CRTC are important to the success of our Bell Media segment, as they allow us to deliver radio and TV services in the communities in which we operate. We seek to maintain and renew, as applicable, all such broadcasting licences required for our operations. Many of our licences are set for a five-year term and reviewed by the CRTC under a group licence approach. While we expect to continually renew our licences, the terms under which they are provided may change from one licence term to another.

[1] Based on 2021 population census data in line with new ISED standard.

4 General development of our business – three-year history

This section contains forward-looking statements, including, but not limited to, relating to the proposed disposition of Northwestel, the expected timing and completion thereof, the intended use by Bell Canada of the proceeds from the proposed disposition and the planned continuation of a Bell Canada partnership with Northwestel beyond transaction close, and our objectives, plans and strategic priorities. Refer to section 1, **Caution regarding forward-looking statements,** in this Annual Information Form.

Since 2023, we have entered into or announced transactions and implemented various business strategies and corporate initiatives that have influenced the general development of our business. During this period, our regulatory environment has also influenced the general development of our business. The principal transactions, regulatory developments, business strategies and corporate initiatives that have influenced the general development of our business during the last three completed financial years are discussed below.

4.1 Transactions

Proposed disposition of Northwestel

In June 2024, Bell Canada entered into an agreement for the disposition of Northwestel to Sixty North Unity, a consortium of Indigenous communities from the Yukon, the Northwest Territories and Nunavut, for up to $1 billion, subject to adjustments. We previously expected this transaction to close in 2025 and we continue to work with Sixty North Unity to close the transaction in 2026. The transaction remains subject to certain closing conditions, including securing financing by Sixty North Unity and, as such, there can be no assurance that the transaction will ultimately be consummated. The results of Northwestel are included in our Bell CTS Canada segment.

Key completed transactions

We have concluded a number of transactions, including acquisitions, dispositions, partnerships and investments, since 2023. More information with respect to the most significant of these transactions is provided in the table below.

Transaction	Key characteristics
Acquisition of Ziply Fiber (2025)	• On August 1, 2025, BCE announced the successful completion of its acquisition of Ziply Fiber, the leading fibre Internet provider in the Pacific Northwest of the United States for cash consideration of $3.64 billion in U.S. dollars ($5.01 billion in Canadian dollars), and the assumption of outstanding net debt of approximately C$2.6 billion at closing. To accelerate expansion into the U.S. market, BCE and PSP Investments announced on May 8, 2025 the formation of Network FiberCo, a long-term strategic partnership to accelerate the development of fibre infrastructure through Ziply Fiber, in underserved markets in the United States. Combined with the completion of the Ziply Fiber acquisition, this long-term strategic partnership will enable Bell to potentially reach up to 8 million fibre locations in the U.S., reinforcing its position as the third-largest fibre Internet provider in North America. The results of Ziply Fiber are included in our Bell CTS U.S. segment.
Disposition of stake in MLSE (2025)	• On July 1, 2025, BCE concluded the sale of its ownership stake in Maple Leaf Sports and Entertainment to Rogers Communications Inc. for $4.7 billion ($4.2 billion net of taxes), following all regulatory and sports league approvals. As part of the transaction and BCE's focus on building a digital media and content powerhouse, Bell Media has secured access to content rights for the Toronto Maple Leafs and Toronto Raptors on TSN through the 2043/2044 season through a long-term agreement with Rogers Communications Inc., subject to league approvals.
Disposition of home security and monitored alarm assets (2025)	• In Q2 2025, BCE entered into an agreement to sell substantially all of its home security and monitored alarm assets to a.p.i. ALARM Inc. as part of its ongoing strategy to focus on its core telecommunications, enterprise solutions and media businesses. On October 1, 2025, BCE completed the disposition for $170 million.
Acquisition of Stratejm (2024)	• On July 2, 2024, Bell Canada acquired Stratejm for cash consideration of $78 million ($73 million net of cash acquired) and $17 million of estimated additional cash consideration contingent on the achievement of certain performance objectives. This contingent consideration is expected to be settled by 2027 and the maximum amount payable is $20 million. Stratejm leverages AI through end-to-end Security-as-a-Service solutions, real-time threat detection and response, and streamlining incident management processes. The results of Stratejm are included in our Bell CTS Canada segment.

Transaction	Key characteristics
Acquisition of Canadian OOH media business of OUTFRONT Media Inc. (2024)	• On June 7, 2024, Bell Media completed the acquisition of OUTFRONT Media Inc.'s Canadian OOH media business, OUTEDGE, for cash consideration of $429 million ($418 million net of cash acquired). The acquisition of OUTEDGE is expected to support Bell Media's digital media strategy and to deliver multi-channel marketing solutions across Canada. The results of OUTEDGE are included in our Bell Media segment. Pursuant to a consent agreement negotiated with the Competition Bureau, Bell Media was required to dispose of 669 OUTEDGE advertising displays in Québec and Ontario. On April 2, 2025, we concluded the sale of these advertising displays for proceeds of $14 million.
Strategic partnership with Best Buy Canada (2024)	• In 2024, Bell announced a strategic partnership with Best Buy Canada to operate 167 The Source consumer electronics retail stores in Canada, which have been rebranded as Best Buy Express and offer the latest in consumer electronics from Best Buy along with exclusive telecommunications services from Bell. The first Best Buy Express was opened in Guildford Town Centre, Surrey, British Columbia on June 26, 2024. In addition, in 2024, Bell wound down The Source head office and back office operations, as well as closed 107 The Source stores.
Acquisition of FX Innovation (2023)	• On June 1, 2023, Bell acquired FX Innovation, a Montréal-based provider of cloud-focused managed and professional services and workflow automation solutions for business clients, for cash consideration of $157 million ($156 million net of cash acquired), of which $12 million is payable within two years, and an estimated $6 million of additional cash consideration contingent on the achievement of certain performance objectives. This contingent consideration is expected to be settled by 2027 and the maximum amount payable is $7 million. Contingent consideration is estimated to be $2 million at December 31, 2025. The acquisition of FX Innovation aims to position Bell as a technology services leader for our enterprise customers. The results of FX Innovation are included in our Bell CTS Canada segment.
Disposition of production studios (2023)	• On May 3, 2023, Bell Media completed the sale of its 63% ownership in certain production studios, which were included in our Bell Media segment. We received net cash proceeds of $211 million and recorded a gain on investment of $79 million (before tax expense of $17 million).

Acquisition of wireless spectrum

On November 30, 2023, Bell Mobility announced that it had secured the right to acquire 939 licences of 3800 MHz spectrum for 1.77 billion MHz-Pop for $518 million. This acquisition will increase Bell's total 3500 MHz and 3800 MHz spectrum holdings to 3.5 billion MHz-Pop, acquired at an average cost of $0.79 per MHz-Pop. On January 17, 2024, Bell made a first payment of $104 million to ISED. The remaining balance of $414 million was paid on May 29, 2024, at which time Bell acquired the 3800 MHz spectrum licences.

Also, on February 6, 2026, ISED announced the provisional results of the 2026 Auction of Residual Spectrum Licences. Bell Mobility secured the right to acquire 63 spectrum licences for $13.5 million or approximately $0.18 per MHz-Pop. The first payment of $2.7 million was due on February 20, 2026, and the remaining $10.8 million is due on March 20, 2026.

Normal course issuer bid for BCE preferred shares

On November 2, 2023, BCE announced the renewal of its existing normal course issuer bid (2023 NCIB), which extended from November 9, 2023 to November 8, 2024. BCE repurchased and cancelled an aggregate of 5,599,285 Preferred Shares under the 2023 NCIB. On November 7, 2024, BCE announced the renewal of its normal course issuer bid (2024 NCIB), which extended from November 11, 2024 to November 10, 2025. BCE repurchased and cancelled an aggregate of 9,990,200 Preferred Shares under the 2024 NCIB. On November 6, 2025, BCE announced the renewal of its normal course issuer bid (2025 NCIB), which will extend from November 11, 2025 to November 10, 2026, or an earlier date should BCE complete its purchases under the 2025 NCIB.

BCE initiated the 2025 NCIB because it believed that, from time to time, the first preferred shares may trade in price ranges that do not fully reflect their value. BCE believes that, in such circumstances, the repurchase of its first preferred shares represents an appropriate use of its available funds.

The actual number of first preferred shares to be repurchased under the 2025 NCIB and the timing of such repurchases will be at BCE's discretion and shall be subject to the limitations set out by the Toronto Stock Exchange (TSX). The 2025 NCIB may be conducted through the facilities of the TSX as well as alternative trading systems in Canada, if eligible, or by such other means as may be permitted by securities regulatory authorities. At December 31, 2025, BCE had repurchased and cancelled 903,000 first preferred shares under the 2025 NCIB.

4.2 Corporate developments

Refer to the sections of the BCE 2023 MD&A and BCE 2024 MD&A, contained in the **BCE 2023 Annual Financial Report** and **BCE 2024 Annual Financial Report**, respectively, indicated in the table below for a discussion of various business strategies and corporate initiatives implemented, and other actions taken, in the financial years ended December 31, 2023 and December 31, 2024 that have influenced the general development of our business in 2023 and 2024. Refer to the sections of the BCE 2025 MD&A, contained in the **BCE 2025 Annual Financial Report**, indicated in the table below for a discussion of various business strategies and corporate initiatives implemented and other actions taken, in the financial year ended December 31, 2025, that have influenced the general development of our business in 2025, and the priorities we intend to focus on in 2026.

MD&A	Section references	
BCE 2023 MD&A		
	Section 1.3	*Key corporate developments*
	Section 1.4	*Capital markets strategy*
	Section 2	*Strategic imperatives – 2023 progress for each strategic imperative*
	Section 2	*Strategic imperatives – 2024 focus for each strategic imperative*
BCE 2024 MD&A		
	Section 1.3	*Key corporate developments*
	Section 1.4	*Capital markets strategy*
	Section 2	*Strategic imperatives – 2024 progress for each strategic imperative*
	Section 2	*Strategic imperatives – 2025 focus for each strategic imperative*
BCE 2025 MD&A		
	Section 1.3	*Key corporate developments*
	Section 1.4	*Capital allocation strategy*
	Section 2	*Strategic priorities – 2025 progress for each strategic priority*
	Section 2	*Strategic priorities – 2026 focus for each strategic priority*

4.3 Regulatory environment

During the past three financial years, the general development of our business has been affected, and will continue to be affected, by decisions made by the Government of Canada and its relevant departments and agencies, including the CRTC, ISED, Canadian Heritage and the Competition Bureau. Although most of our retail services are not price-regulated, government agencies and departments such as those mentioned above continue to play a significant role in regulatory matters such as establishing and modifying regulations for mandatory access to networks, spectrum auctions, the imposition of consumer-related codes of conduct, approval of acquisitions, broadcast and spectrum licensing, foreign ownership requirements, privacy and cybersecurity obligations and control of copyright piracy. Refer to section 8, *Regulatory environment,* of the BCE 2023 MD&A, BCE 2024 MD&A and BCE 2025 MD&A contained in the **BCE 2023 Annual Financial Report**, **BCE 2024 Annual Financial Report** and **BCE 2025 Annual Financial Report**, respectively, for a discussion of the regulatory initiatives and proceedings that influenced, in the financial years ended December 31, 2023, 2024 and 2025, and may in the future influence, the general development of our business.

5 Our capital structure

This section describes BCE's and Bell Canada's securities, the trading of certain of such securities on the TSX and the ratings that certain rating agencies have attributed to BCE's first preferred shares and Bell Canada's debt securities that are issued and outstanding.

5.1 BCE securities

BCE's articles of amalgamation, as amended, provide for an unlimited number of common shares, an unlimited number of first preferred shares issuable in series, an unlimited number of second preferred shares also issuable in series and an unlimited number of Class B shares. As at March 5, 2026, BCE had no Class B shares or second preferred shares outstanding.

Each common share entitles its holder to one vote at any meeting of shareholders. Additional information about the terms and conditions of the BCE preferred shares, common shares and Class B shares can be found in Note 31, *Share capital,* of the BCE 2025 consolidated financial statements, on pages 166 to 167 of the **BCE 2025 Annual Financial Report**.

Since 1993, the *Telecommunications Act* and associated regulations (Telecom Regulations) have governed Canadian ownership and control of Canadian telecommunications carriers. Bell Canada and other affiliates of BCE that are Canadian carriers are subject to this Act. In 2012, amendments to the *Telecommunications Act* largely eliminated the foreign ownership restrictions for any carrier that, with its affiliates, has annual revenues from the provision of telecommunications services in Canada that represent less than 10% of the total annual revenues from the provision of these services in Canada, as determined by the CRTC. However, given that Bell Canada and its affiliates exceed this 10% threshold, they remain subject to the pre-existing Canadian ownership and control restrictions, which are detailed below.

Under the *Telecommunications Act*, in order for a corporation that exceeds the 10% threshold mentioned above to operate as a Canadian common carrier, the following conditions have to be met:

- Canadians own at least 80% of its voting shares;
- at least 80% of the members of the carrier company's board of directors are Canadian; and
- the carrier company must not be controlled by non-Canadians.

In addition, where a parent company (Carrier holding company) owns at least 66 2/3% of the voting shares of the carrier company (subject to ownership rules), the Carrier holding company must have at least 66 2/3% of its voting shares owned by Canadians and must not be controlled by non-Canadians. BCE is a Carrier holding company. The Telecom Regulations give certain powers to the CRTC and to Canadian carriers and Carrier holding companies to monitor and control the level of non-Canadian ownership of voting shares to ensure compliance with the *Telecommunications Act*. Accordingly, BCE, which controls Bell Canada and other Canadian carriers, must satisfy the following conditions:

- Canadians own at least 66 2/3% of its voting shares; and
- it is not controlled by non-Canadians.

The powers under the Telecom Regulations include the right to:

- suspend the voting rights attached to shares considered to be owned or controlled by non-Canadians;
- refuse to register a transfer of voting shares to a non-Canadian; and
- force a non-Canadian to sell the non-Canadian's voting shares.

However, in our case, there is an additional control restriction under the *Bell Canada Act*. Prior approval by the CRTC is necessary for any sale or other disposal of Bell Canada's voting shares unless BCE retains at least 80% of all Bell Canada voting shares.

Similarly, the Canadian ownership rules under the *Broadcasting Act* for broadcasting licensees, such as Bell Media and Bell Canada, generally mirror the rules for Canadian-owned and -controlled common carriers under the *Telecommunications Act* by restricting allowable foreign investments in voting shares at the licensee operating company level to a maximum of 20% and at the holding company level to a maximum of 33 1/3%. An additional requirement under these Canadian broadcasting ownership rules is that the chief executive officer of a company that is a licensed broadcasting undertaking must be a Canadian citizen or permanent resident

of Canada. The CRTC is precluded under a direction issued under the *Broadcasting Act* from issuing, amending or renewing a broadcasting licence of an applicant that does not satisfy these Canadian ownership and control criteria.

Cultural concerns over increased foreign control of broadcasting activities also require broadcasting licensees to establish programming committees when foreign investment in their holding company, while within permissible limits, exceeds 20%. In line with CRTC practice, programming committees have been established within the relevant subsidiary licensees, thereby allowing foreign investment in voting shares of BCE to reach the maximum of 33 1/3%.

We monitor the level of non-Canadian ownership of BCE's common shares by obtaining data on: (i) registered shareholders from our transfer agent and registrar, TSX Trust Company, and (ii) beneficial shareholders from the Canadian Depository for Securities (CDS) and the Depository Trust Company (DTC) in the U.S. We also provide periodic reports to the CRTC.

As of March 5, 2026, BCE had no debt securities outstanding.

5.2 Bell Canada debt securities

Bell Canada long-term debt securities

As at December 31, 2025, Bell Canada had issued or assumed long-term debt securities as summarized in the table below.

Debt securities	Weighted average interest rate	Maturity	At December 31, 2025 (in $ millions)
1997 trust indenture	4.42 %	2026-2055	17,502
1976 trust indenture	9.38 %	2027-2054	975
1996 trust indenture (subordinated)	8.21 %	2026-2031	275
2016 U.S. trust indenture[(1)]	4.37 %	2032-2054	7,840
2025 U.S. subordinated indenture[(2)]	6.94 %	2055	3,088
2025 Canadian subordinated indenture	5.63 %	2055	1,250
Total			30,930

[(1)] As at December 31, 2025, Bell Canada had issued notes under the 2016 U.S. trust indenture for an aggregate amount of $5.706 million in U.S. dollars which have been hedged for foreign currency fluctuations with cross currency interest rate swaps.

[(2)] As at December 31, 2025, Bell Canada had issued notes under the 2025 U.S. subordinated indenture for an aggregate amount of $2,250 million in U.S. dollars which have been hedged for foreign currency fluctuations with cross currency interest rate swaps.

The Bell Canada long-term debt securities are unsecured and have been guaranteed by BCE. Additional information about the terms and conditions of the Bell Canada long-term debt securities can be found in Note 26, *Long-term debt,* of the BCE 2025 consolidated financial statements on pages 154 to 156 of the **BCE 2025 Annual Financial Report**.

Under its short form base shelf prospectus dated March 7, 2022 (2022 Shelf Prospectus), Bell Canada was permitted to issue unsecured debt securities from time to time over a 25-month period. In addition, under its prospectus supplement dated May 19, 2022 (2022 Prospectus Supplement), Bell Canada was permitted to issue unsecured Medium Term Notes (MTN) debentures under the 2022 Shelf Prospectus.

On February 9, 2023, Bell Canada issued, under the 2022 Shelf Prospectus and 2022 Prospectus Supplement, $1.5 billion principal amount of MTN debentures in two series. The $1.05 billion 4.55% MTN debentures, Series M-58, were issued at a price of $99.787 per $100 principal amount, to mature on February 9, 2030. The $450 million 5.15% MTN debentures, Series M-59, were issued at a price of $99.500 per $100 principal amount, to mature on February 9, 2053. The net proceeds of the offerings were used to repay short-term debt and for general corporate purposes.

On May 11, 2023, Bell Canada issued, under the 2022 Shelf Prospectus and a prospectus supplement dated May 8, 2023, US$850 million (C$1,138 million) principal amount of 5.100% Series US-8 Notes, at a price of US$99.930 per US$100 principal amount, to mature on May 11, 2033. The net proceeds of the offering were used to repay short-term debt and for general corporate purposes.

On August 11, 2023, Bell Canada issued, under the 2022 Shelf Prospectus and 2022 Prospectus Supplement, $1.0 billion principal amount of MTN debentures in two series. The $600 million 5.15% MTN debentures, Series M-60, were issued at a price of $99.917 per $100 principal amount, to mature on November 14, 2028. The $400 million 5.60% MTN debentures, Series M-61, were issued at a price of $99.726 per $100 principal amount, to mature on August 11, 2053. The net proceeds of the offerings were used to repay short-term debt and for general corporate purposes.

On November 14, 2023, Bell Canada issued, under the 2022 Shelf Prospectus and 2022 Prospectus Supplement, $1.0 billion principal amount of MTN debentures in two series. The $300 million 5.85% MTN debentures, Series M-57, which were issued pursuant to a re-opening of an existing series of MTN debentures, were issued at a price of $101.232 per $100 principal amount plus accrued and unpaid interest from and including November 10, 2023 to but excluding November 14, 2023, to mature on November 10, 2032. The $700 million 5.25% MTN debentures, Series M-62, were issued at a price of $99.897 per $100 principal amount, to mature on March 15, 2029. The net proceeds of the offering were used to fund the repayment at maturity of Bell Canada's $1.0 billion principal amount of 2.70% MTN debentures, Series M-44, due February 2024.

On February 15, 2024, Bell Canada issued, under the 2022 Shelf Prospectus and a prospectus supplement dated February 12, 2024, US$1.45 billion (C$1.95 billion) aggregate principal amount of notes in two series. The US$700 million (C$942 million) 5.200% Series US-9 Notes were issued at a price of US$99.823 per US$100 principal amount, to mature on February 15, 2034. The US$750 million (C$1,009 million) 5.550% Series US-10 Notes were issued at a price of US$99.869 per US$100 principal amount, to mature on February 15, 2054. The net proceeds of the offering were used for the repayment at maturity of Bell Canada's US$600 million Series US-3 Notes due March 17, 2024, to fund the remaining payment for the 3800 MHz spectrum licences and for other general corporate purposes.

Under its short form base shelf prospectus dated May 9, 2024 (2024 Shelf Prospectus), Bell Canada is permitted to issue unsecured debt securities from time to time over a 25-month period. In addition, under its prospectus supplement dated May 16, 2024 (2024 Prospectus Supplement), Bell Canada is permitted to issue unsecured MTN debentures under the 2024 Shelf Prospectus.

On May 24, 2024, Bell Canada issued, under the 2024 Shelf Prospectus and the 2024 Prospectus Supplement, $1.5 billion principal amount of MTN debentures in two series. The $400 million 5.60% MTN debentures, Series M-61, were issued at a price of $101.936 per $100 principal amount, to mature on August 11, 2053. The $1.1 billion 5.15% MTN debentures, Series M-63, were issued at a price of $99.646 per $100 principal amount, to mature on August 24, 2034. The net proceeds of the offering were used to fund the repayment at maturity of Bell Canada's $600 million Series M-49 MTN debentures due January 29, 2025 and to fund the repayment at maturity of part of Bell Canada's $1,500 million Series M-47 MTN debentures due March 12, 2025 and for general corporate purposes.

On February 6, 2025, Bell Canada amended and restated its 2024 Shelf Prospectus (the 2024 Amended Shelf Prospectus) to, among other things, amend the description and characteristics of the Debt Securities that may be issued thereunder so as to provide for the issuance of subordinated (including junior subordinated) debt securities in Canada and the U.S., under one or more new trust indentures.

On February 18, 2025, Bell Canada issued, under the 2024 Amended Shelf Prospectus and a prospectus supplement dated February 12, 2025, US$2.25 billion (C$3.187 billion) aggregate principal amount of Fixed-to-Fixed Rate Junior Subordinated Notes in two series: 1) US$1 billion (C$1.416 billion) of 6.875% Fixed-to-Fixed Rate Junior Subordinated Notes, Series A due 2055 (the Series A Notes); and 2) US$1.25 billion (C$1.771 billion) of Fixed-to-Fixed Rate Junior Subordinated Notes, Series B due 2055 (the Series B Notes). The Series A Notes will initially bear interest at an annual rate of 6.875% and reset every five years, starting on September 15, 2030, at an annual rate equal to the five-year U.S. Treasury rate plus a spread of 2.390%, provided that the interest rate during any five-year interest period will not reset below 6.875%, which mature on September 15, 2055. The Series B Notes will initially bear interest at an annual rate of 7.000% and reset every five years, starting on September 15, 2035 at an annual rate equal to the five-year U.S. Treasury rate plus a spread of 2.363%, provided that the interest rate during any five-year interest period will not reset below 7.000%, which mature on September 15, 2055. Bell Canada may redeem either series of the Series A Notes or Series B Notes, in whole or in part, at a redemption price equal to 100% of the principal amount commencing on the applicable first reset dates. The net proceeds of the offering were used to repurchase, redeem or repay, as applicable, Bell Canada's senior indebtedness and for other general corporate purposes.

On March 27, 2025, Bell Canada issued, under the 2024 Amended Shelf Prospectus and a prospectus supplement dated March 20, 2025, $1.25 billion aggregate principal amount of Fixed-to-Fixed Rate Junior Subordinated Notes, Series C due 2055 (the Series C Notes). The Series C Junior Subordinated Notes will initially bear interest at an annual rate of 5.625% and reset every five years, starting on March 27, 2030, at an annual rate equal to the five-year Government of Canada yield plus a spread of 2.950%, provided that the interest rate during any five-year interest period will not reset below 5.625%, which mature on March 27, 2055. Bell Canada may redeem the Series C Notes, in whole or in part, at a redemption price equal to 100% of the principal amount commencing on the first reset date. The net proceeds of the offering were used to repurchase, redeem or repay, as applicable, Bell Canada's senior indebtedness and for other general corporate purposes.

On March 27, 2025, Bell Canada repurchased, pursuant to tender offers: (i) a principal amount of $174 million in U.S. dollars ($249 million in Canadian dollars) of its 4.300% Series US-2 Notes, that had an outstanding principal amount of $600 million in U.S. dollars

($856 million in Canadian dollars), which mature on July 29, 2049; (ii) a principal amount of $79 million in U.S. dollars ($112 million in Canadian dollars) of its 3.650% Series US-4 Notes, that had an outstanding principal amount of $500 million in U.S. dollars ($713 million in Canadian dollars), which mature on March 17, 2051; (iii) a principal amount of $183 million in U.S. dollars ($261 million in Canadian dollars) of its 2.150% Series US-5 Notes, that had an outstanding principal amount of $600 million in U.S. dollars ($856 million in Canadian dollars), which mature on February 15, 2032; (iv) a principal amount of $191 million in U.S. dollars ($273 million in Canadian dollars) of its 3.200% Series US-6 Notes, that had an outstanding principal amount of $650 million in U.S. dollars ($927 million in Canadian dollars), which mature on February 15, 2052; and (v) a principal amount of $217 million in U.S. dollars ($310 million in Canadian dollars) of its 3.650% Series US-7 Notes, that had an outstanding principal amount of $750 million in U.S. dollars ($1,070 million in Canadian dollars), which mature on August 15, 2052, for an aggregate cash purchase price of $633 million in U.S. dollars ($903 million in Canadian dollars). In addition, on the same date, Bell Canada repurchased, pursuant to a tender offer, a principal amount of $1,131 million of its 3.50% Series M-51 MTN debentures, that had an outstanding principal amount of $1,250 million, which mature on September 30, 2050, for a cash purchase price of $896 million.

On June 12, 2025, Bell Canada repurchased, pursuant to tender offers: (i) a principal amount of $105 million of its 4.35% Series M-39 MTN debentures, that had an outstanding principal amount of $500 million, which mature on December 18, 2045; (ii) a principal amount of $100 million of its 4.45% Series M-45 MTN debentures, that had an outstanding principal amount of $500 million, which mature on February 27, 2047; (iii) a principal amount of $35 million of its 3.50% Series M-51 MTN debentures, that had an outstanding principal amount of $119 million, which mature on September 30, 2050; and (iv) a principal amount of $460 million of its 4.05% Series M-55 MTN debentures, that had an outstanding principal amount of $550 million, which mature on March 17, 2051, for an aggregate cash purchase price of $602 million.

On August 14, 2025, Bell Canada issued, under the 2024 Shelf Prospectus and the 2024 Prospectus Supplement, $2 billion principal amount of MTN debentures in four series. The $400 million 3.65% MTN debentures, Series M-64, were issued at a price of $99.956 per $100 principal amount, to mature on August 14, 2029. The $500 million 4.30% MTN debentures, Series M-65, were issued at a price of $99.816 per $100 principal amount, to mature on March 14, 2033. The $600 million 4.70% MTN debentures, Series M-66, were issued at a price of $99.747 per $100 principal amount, to mature on March 14, 2036. The $500 million 5.25% MTN debentures, Series M-67, were issued at a price of $99.476 per $100 principal amount, to mature on August 14, 2055. The net proceeds of the offering were used towards the repayment and/or redemption of debt securities issued by Ziply Fiber or any subsidiary thereof and general corporate purposes.

On August 19, 2025, Bell Canada repurchased, in the open market, a principal amount of $7 million of its 4.05% Series M-55 MTN debentures, that had an outstanding principal amount of $90 million, which mature on March 17, 2051, for a cash purchase price of $6 million.

On August 28, 2025, Bell Canada announced that it has completed the redemption, prior to maturity, of all of Ziply Fiber's outstanding debt securities having an aggregate principal amount of approximately $1.96 billion in U.S. dollars ($2.7 billion in Canadian dollars). Ziply Fiber's outstanding debt securities consisted of approximately $1,594 million in U.S. dollars ($2,192 million in Canadian dollars) principal amount of Secured Fiber Network Revenue Term Notes (Term Notes) and $367 million in U.S. dollars ($509 million in Canadian dollars) principal amount of Secured Fiber Network Revenue Funding Notes (Funding Notes). The Term Notes were redeemed on August 28, 2025 for an aggregate redemption price of approximately $1,672 million in U.S. dollars ($2,300 million in Canadian dollars), consisting of the principal amount outstanding, all accrued and unpaid interest and the prepayment consideration. An aggregate amount of $367 million in U.S. dollars ($509 million in Canadian dollars) of Funding Notes was repaid on August 20, 2025, consisting of the total principal amount outstanding.

On February 12, 2026, Bell Canada issued, under the 2024 Amended Shelf Prospectus and a prospectus supplement dated February 9, 2026, $750 million principal amount of Fixed-to-Fixed Rate Junior Subordinated Notes, Series D due 2056 (Series D Notes), which initially bear interest at an annual rate of 5.375% and reset every five years, starting on May 12, 2031, at an annual rate equal to the five-year Government of Canada yield plus a spread of 2.388%, provided that the interest rate during any five-year interest period will not reset below 5.375%, which mature on May 12, 2056. Additionally, on the same date, Bell Canada issued, under the 2024 Amended Shelf Prospectus and a prospectus supplement dated February 9, 2026, $750 million principal amount of Fixed-to-Fixed Rate Junior Subordinated Notes, Series E (Series E Notes), which initially bear interest at an annual rate of 5.875% and reset every five years starting on May 12, 2036 at an annual rate equal to the five-year Government of Canada yield plus a spread of 2.440%, provided that the interest rate during any five-year interest period will not reset below 5.875%, which mature on May 12, 2056. Bell Canada may redeem either of the Series D Notes or Series E Notes, in whole or in part, at a redemption price equal to 100% of the principal amount commencing on the applicable first reset dates. The net proceeds of the offering are intended

to be used to repurchase, redeem or repay, as applicable, senior or subordinated indebtedness of Bell Canada and for other general corporate purposes.

As at March 5, 2026, Bell Canada had issued $7.589 billion principal amount of debt securities under its 2022 Shelf Prospectus and approximately $9.437 billion principal amount of debt securities under its 2024 Amended Shelf Prospectus.

Bell Canada is required, under certain conditions, to make an offer to repurchase all or, at the option of the holder thereof, any part of certain series of its debt securities upon the occurrence of both a “Change of Control” of BCE or Bell Canada and a “Rating Event” relating to the relevant series of debt securities, as defined in the terms and conditions of the relevant series of debt securities or in the relevant trust indenture, as applicable (the Repurchase upon Change of Control Triggering Event).

Bell Canada commercial paper

Bell Canada may issue short-term notes (CP Notes) under its Canadian and U.S. commercial paper programs up to the maximum aggregate principal amount of $3.0 billion in either Canadian or U.S. currency provided that at no time shall such aggregate principal amount of CP Notes exceed $3.5 billion in Canadian currency. The sale of CP Notes pursuant to Bell Canada’s separate Canadian or U.S. program decreases the Canadian or US$3.0 billion maximum principal amount of CP Notes authorized to be outstanding at any time under both programs, with one Canadian dollar being treated as equal to one U.S. dollar for purposes of this limitation. As at March 5, 2026, Bell Canada had CP Notes outstanding under its U.S. program in the principal amount of US$1,892 million (C$2,611 million when taking into account hedges with forward currency contracts against foreign currency fluctuations). As at the same date, no CP Notes were outstanding under Bell Canada’s Canadian program.

5.3 Credit ratings

Ratings generally address the ability of a company to repay principal and pay interest or dividends on issued and outstanding securities.

Our ability to raise financing depends on our ability to access the public equity and debt capital markets, the money market, as well as the bank credit market. Our ability to access such markets and the cost and amount of funding available partly depend on our assigned credit ratings at the time capital is raised. Investment grade credit ratings usually mean that when we borrow money, we can obtain lower interest rates than companies that have ratings lower than investment grade. Credit ratings are subject to change based on a number of factors including, but not limited to, our financial strength, competitive position, liquidity and other factors that are not completely within our control. There is no assurance that we will maintain our current credit ratings and a ratings downgrade could result in adverse consequences for our funding cost and capacity, and our ability to access the capital markets, the money market and/or bank credit market.

As of March 5, 2026, BCE’s preferred shares are rated by DBRS Limited (DBRS) and S&P Global Ratings Canada, a business unit of S&P Global Canada Corp. (S&P), and Bell Canada’s debt securities are rated by DBRS, Moody’s Investors Service, Inc. (Moody’s) and S&P.

This section describes the credit ratings, as of March 5, 2026, for certain of the issued and outstanding securities of BCE and Bell Canada. These ratings provide investors with an independent measure of the credit quality of an issue of securities. However, they are not recommendations to buy, sell or hold any of the securities referred to below, and they may be revised or withdrawn at any time by the assigning rating agency. Ratings are determined by the rating agencies based on criteria established from time to time by them, and they do not comment on market price or suitability for a particular investor. Each credit rating should be evaluated independently of any other credit rating.

In the past two years, we have paid rating agencies to assign ratings to BCE’s preferred shares, as well as to Bell Canada’s short-term and long-term debt securities. The fees paid to DBRS, Moody’s and S&P include access to some or all of their websites. In addition, we paid DBRS for services provided in connection with Bell Canada’s securitization program.

On August 30, 2024, Moody’s downgraded Bell Canada’s issuer rating to Baa2 from Baa1, its senior (unsubordinated) long-term debt rating to Baa2 from Baa1 and its subordinated long-term debt rating to Baa3 from Baa2. Bell Canada’s commercial paper rating was affirmed at P-2. In addition, Moody’s downgraded BCE’s issuer rating to Baa3 from Baa2. The outlook associated with the Moody’s ratings was changed to stable from negative. The downgrades were principally as a result of ongoing debt leverage above Moody’s thresholds for the prior ratings. All of these new ratings on Bell Canada’s unsubordinated and subordinated debt remain investment grade according to Moody’s rating scale with Moody’s Baa3 rating representing its last investment grade rating rank.

On September 12, 2024, S&P downgraded the issuer-credit ratings on BCE and its subsidiaries to BBB from BBB+. At the same time, S&P lowered Bell Canada's senior (unsubordinated) long-term debt rating to BBB from BBB+ and its subordinated long-term debt rating to BBB- from BBB. Although Bell Canada's commercial paper rating was affirmed at A-2 on a Global scale, it was downgraded to A-2 from A-1 (Low) on a Canadian national scale. S&P also lowered the ratings on BCE's preferred shares to P3 (High) from P2 (Low), on a Canadian national scale, and to BB+ from BBB-, on a Global scale. The outlook associated with the S&P ratings was changed to stable from negative. The downgrades were principally as a result of ongoing debt leverage above S&P's thresholds for the prior ratings. All of these new ratings on Bell Canada's senior (unsubordinated) and subordinated debt remain investment grade according to S&P's rating scale with S&P's BBB- rating representing its last investment grade rating rank. Notwithstanding that preferred shares are not debt or credit instruments, the new P3 (High) and BB+ ratings on BCE's preferred shares are considered below an investment grade rating on S&P's rating scale.

On November 5, 2024, DBRS placed all its credit ratings on BCE and Bell Canada Under Review with Negative Implications following BCE's announcement of a definitive agreement to acquire Ziply Fiber.

On February 18, 2025 and March 27, 2025, Bell Canada issued the Series A Notes, the Series B Notes and the Series C Notes. The Series A Notes, Series B Notes and Series C Notes are direct and unsecured junior subordinated debt obligations of Bell Canada and, accordingly, are subordinated in right of payment to all present and future indebtedness of Bell Canada (other than indebtedness which by its terms ranks equally with or subordinate to the Series A Notes, Series B Notes and Series C Notes), including being subordinated to Bell Canada's subordinated long-term debt issued under its 1996 subordinated trust indenture. DBRS, Moody's and S&P have assigned ratings of BBB (low), Baa3 and BB+, respectively, to the Series A Notes, Series B Notes and Series C Notes. DBRS' BBB (low) rating and Moody's Baa3 rating represent the lowest investment grade ratings according to their respective rating scales. However, S&P's BB+ rating is considered the highest rating below an investment grade rating on S&P's rating scale. Additionally, the DBRS rating on the Series A Notes, Series B Notes and Series C Notes is also "Under Review with Negative Implications".

On May 8, 2025, S&P revised its outlook on BCE and Bell Canada to negative from stable principally as a result of ongoing debt leverage above S&P's thresholds for the current ratings. However, S&P affirmed all of BCE's and Bell Canada's existing ratings.

On May 16, 2025, DBRS downgraded Bell Canada's issuer rating to BBB from BBB (high), its senior (unsubordinated) long-term debt rating to BBB from BBB (high), its subordinated long-term debt rating to BB (high) from BBB (low), its junior subordinated long-term debt rating to BB (high) from BBB (low) and its commercial paper rating to R-2 (middle) from R-2 (high). In addition, DBRS downgraded BCE's issuer rating to BBB (low) from BBB. BCE's preferred shares rating was confirmed at Pfd-3. Consequently, DBRS removed the credit ratings from "Under Review with Negative Implications", where they were placed on November 5, 2024. The outlook associated with the DBRS ratings is stable. The downgrades were principally as a result of ongoing debt leverage above DBRS' thresholds for the prior ratings. All of the new ratings on Bell Canada's senior (unsubordinated) long-term debt and commercial paper remain investment grade according to DBRS' rating scale with DBRS' BBB (low) rating representing its last investment grade rating rank for long-term debt and DBRS' R-2 (low) rating representing its last investment grade rating rank for short-term debt. The new BB (high) rating for Bell Canada's subordinated long-term debt and junior subordinated long-term debt is considered the highest rating below an investment grade rating on DBRS' rating scale.

Ratings for BCE and Bell Canada securities

Ratings for Bell Canada short-term debt securities

Short-term debt securities	Rating agency	Rating	Rank
Bell Canada commercial paper	DBRS	R-2 (middle)	5 out of 10
	Moody's	P-2	2 out of 4
	S&P	A-2 (Canadian scale)	4 out of 8
		A-2 (Global scale)	3 out of 7

Ratings for Bell Canada long-term debt securities

Long-term debt securities	Rating agency	Rating	Rank
Bell Canada senior (unsubordinated) long-term debt securities	DBRS	BBB	9 out of 26
	Moody's	Baa2	9 out of 21
	S&P	BBB	9 out of 22
Bell Canada subordinated long-term debt securities	DBRS	BB (high)	11 out of 26
	Moody's	Baa3	10 out of 21
	S&P	BBB-	10 out of 22
Bell Canada junior subordinated long-term debt securities	DBRS	BB (high)	11 out of 26
	Moody's	Baa3	10 out of 21
	S&P	BB+	11 out of 22

Ratings for BCE preferred shares

Preferred shares	Rating agency	Rating	Rank
BCE preferred shares	DBRS	Pfd-3	8 out of 16
	S&P	P-3 (high) (Canadian scale)	7 out of 18
		BB+ (Global scale)	9 out of 20

As of March 5, 2026, BCE and Bell Canada's credit ratings have stable outlooks from Moody's and DBRS and a negative outlook from S&P.

Explanation of rating categories received for our securities

The following explanations of the rating categories received for our securities have been published by the applicable rating agencies. The explanations and corresponding rating categories provided below are subject to change by the applicable rating agencies.

Rating agency	Description of securities	Rating category	Explanation of rating category received
DBRS	Short-term debt	R-2 (middle)	adequate credit quality
			capacity for the payment of short-term financial obligations as they fall due is acceptable
			may be vulnerable to future events or may be exposed to other factors that could reduce credit quality
	Long-term debt	BBB	adequate credit quality
			capacity for the payment of financial obligations is considered acceptable
			may be vulnerable to future events
	Long-term subordinated and junior subordinated debt	BB (high)	speculative, non-investment grade credit quality
			capacity for the payment of financial obligations is uncertain. Vulnerable to future events
	Preferred shares	Pfd-3	adequate credit quality
			protection of dividends and principal is still considered acceptable, but the company is more susceptible to adverse changes in financial and economic conditions, and there may be other adverse conditions present which detract from debt protection. Generally, companies with Pfd-3 ratings correspond with companies with a BBB category or higher reference point
Moody's	Short-term debt	P-2	a strong ability to repay short-term debt obligations
	Long-term debt	Baa2	subject to moderate credit risk
			considered medium-grade and may have certain speculative characteristics
	Long-term subordinated and junior subordinated debt	Baa3	subject to moderate credit risk
			considered medium-grade and may have certain speculative characteristics
S&P	Short-term debt	A-2 (Canadian scale) A-2 (Global scale)	satisfactory capacity of the company to fulfill its financial commitment on the obligation
			somewhat more susceptible to adverse effects of changes in circumstances and economic conditions than obligations rated higher
	Long-term debt	BBB	adequate protection parameters
			adverse economic conditions or changing circumstances are more likely to weaken the obligor's ability to meet its financial commitments
	Long-term subordinated debt	BBB-	adequate protection parameters
			adverse economic conditions or changing circumstances are more likely to weaken the obligor's ability to meet its financial commitments
	Long-term junior subordinated debt	BB+	regarded as having significant speculative characteristics
			less vulnerable to non-payment than other speculative issues
			faces major ongoing exposure to adverse business, financial or economic conditions that could lead to obligor's inadequate capacity to meet its financial commitments
	Preferred shares	P-3 (Canadian scale) BB (Global scale)	regarded as having significant speculative characteristics
			less vulnerable to non-payment than other speculative issues
			faces major ongoing exposure to adverse business, financial or economic conditions that could lead to obligor's inadequate capacity to meet its financial commitments

5.4 Trading of our securities

The common and first preferred shares of BCE are listed on the TSX under the respective symbols set out in the tables below. BCE's common shares are also listed on the New York Stock Exchange (NYSE) under the symbol BCE.

The tables below and on the next page show the range in share price per month and volume traded on the TSX in 2025 for BCE's common shares and each series of BCE's first preferred shares.

		First preferred shares									
	Common shares (BCE)	Series R (BCE.PR.R)	Series S (BCE.PR.S)	Series T (BCE.PR.T)	Series Y (BCE.PR.Y)	Series Z (BCE.PR.Z)	Series AA (BCE.PR.A)	Series AB (BCE.PR.B)	Series AC (BCE.PR.C)	Series AD (BCE.PR.D)	Series AE (BCE.PR.E)
January 2025											
High	$35.13	$17.01	$17.50	$17.51	$17.48	$18.62	$17.45	$17.51	$18.08	$17.67	$18.21
Low	$31.43	$15.46	$16.29	$16.35	$16.24	$17.81	$16.67	$16.37	$16.93	$16.28	$16.52
Volume	76,973,047	178,217	41,172	135,357	183,858	125,922	310,370	173,943	205,820	247,530	694,502
February 2025											
High	$35.90	$17.34	$17.40	$17.50	$17.29	$18.60	$17.48	$17.31	$17.81	$17.37	$17.61
Low	$31.46	$16.08	$17.07	$16.90	$17.00	$18.02	$16.91	$17.08	$17.03	$17.11	$17.10
Volume	81,042,996	77,098	37,482	102,008	115,555	52,873	199,398	69,624	47,711	285,860	91,136
March 2025											
High	$36.59	$17.25	$16.98	$17.55	$17.21	$18.55	$17.46	$17.24	$17.80	$17.25	$17.14
Low	$32.02	$16.42	$16.55	$16.84	$16.55	$17.90	$17.01	$16.50	$17.16	$16.52	$16.50
Volume	79,768,037	151,652	47,419	52,435	69,954	60,582	203,621	93,661	122,472	189,063	38,912
April 2025											
High	$33.21	$17.03	$16.95	$17.44	$17.05	$18.44	$17.53	$17.20	$17.77	$17.00	$17.00
Low	$28.73	$15.46	$15.62	$15.61	$15.50	$16.55	$16.00	$15.55	$16.01	$15.60	$15.45
Volume	89,019,262	50,399	85,113	35,896	57,343	88,215	408,717	77,876	113,539	361,794	287,500
May 2025											
High	$32.16	$17.31	$17.11	$17.90	$17.20	$18.75	$18.05	$17.30	$17.99	$17.25	$17.22
Low	$29.10	$15.90	$16.27	$16.59	$16.20	$17.31	$16.90	$16.23	$16.81	$16.12	$16.29
Volume	84,403,347	60,617	162,101	96,226	522,070	133,697	131,063	51,092	90,343	201,736	46,379
June 2025											
High	$31.36	$18.15	$18.05	$18.37	$18.05	$19.39	$18.78	$18.14	$18.55	$18.22	$18.18
Low	$29.56	$17.30	$17.35	$17.35	$17.07	$18.62	$18.00	$17.28	$17.76	$17.00	$17.23
Volume	77,681,655	197,408	43,995	112,972	35,860	20,427	139,192	86,914	51,954	121,061	41,355
July 2025											
High	$33.67	$20.08	$19.08	$19.71	$19.15	$20.33	$19.83	$19.18	$19.58	$19.15	$19.05
Low	$30.05	$18.18	$17.89	$18.18	$17.96	$19.07	$18.62	$17.79	$18.46	$18.00	$17.94
Volume	72,213,464	157,437	38,281	34,839	92,586	24,431	606,512	70,178	30,626	96,722	61,059
August 2025											
High	$36.07	$20.09	$19.15	$19.68	$19.10	$20.45	$19.75	$19.22	$19.84	$19.19	$19.11
Low	$31.35	$19.45	$18.90	$19.03	$18.80	$19.75	$19.18	$18.91	$19.19	$18.60	$18.88
Volume	64,913,751	23,247	37,550	73,209	49,013	13,700	52,747	312,773	74,564	48,279	105,245
September 2025											
High	$34.49	$19.86	$19.20	$19.49	$19.21	$20.35	$20.27	$19.48	$19.99	$19.40	$19.38
Low	$31.71	$19.52	$18.93	$19.12	$19.00	$20.00	$19.63	$19.01	$19.56	$18.88	$19.01
Volume	71,100,990	235,330	37,823	27,847	507,933	17,146	198,448	94,935	36,905	74,511	112,513
October 2025											
High	$34.53	$19.87	$19.10	$19.77	$19.10	$20.55	$20.95	$19.18	$20.05	$19.19	$19.29
Low	$31.58	$19.54	$18.92	$19.02	$18.88	$20.22	$20.05	$18.98	$19.50	$18.96	$19.01
Volume	76,686,150	307,323	13,601	354,847	200,206	21,830	78,180	67,448	73,229	66,162	24,219
November 2025											
High	$33.50	$19.73	$19.27	$19.86	$19.30	$20.60	$20.65	$19.38	$19.99	$19.30	$19.15
Low	$31.33	$19.22	$19.00	$19.45	$18.88	$19.88	$20.00	$18.97	$19.59	$19.00	$18.77
Volume	83,351,248	131,728	15,400	64,487	50,148	20,800	64,057	47,640	112,691	80,944	24,582
December 2025											
High	$33.13	$19.90	$20.00	$20.50	$20.15	$21.01	$21.01	$20.09	$20.40	$20.18	$20.10
Low	$30.96	$19.50	$19.40	$19.64	$19.25	$20.56	$20.48	$19.20	$19.85	$19.06	$19.15
Volume	87,851,061	163,915	13,543	121,550	104,532	33,763	206,166	74,649	85,192	84,940	21,604

	First preferred shares									
	Series AF (BCE.PR.F)	Series AG (BCE.PR.G)	Series AH (BCE.PR.H)	Series AI (BCE.PR.I)	Series AJ (BCE.PR.J)	Series AK (BCE.PR.K)	Series AL (BCE.PR.L)	Series AM (BCE.PR.M)	Series AN (BCE.PR.N)	Series AQ (BCE.PR.Q)
January 2025										
High	$18.66	$16.90	$17.63	$16.89	$17.67	$16.58	$16.87	$17.28	$17.71	$23.30
Low	$16.51	$15.38	$16.27	$14.88	$16.34	$14.85	$15.39	$15.94	$15.76	$22.58
Volume	1,078,601	130,075	411,797	576,439	48,454	668,175	52,947	297,810	54,416	324,846
February 2025										
High	$19.35	$17.19	$17.58	$17.35	$17.39	$16.79	$16.95	$17.39	$17.70	$23.55
Low	$18.40	$16.31	$17.21	$16.40	$17.17	$16.00	$16.62	$16.50	$17.10	$22.88
Volume	562,416	82,269	104,285	103,954	81,248	536,331	16,769	160,830	12,880	134,000
March 2025										
High	$19.29	$16.79	$17.30	$16.96	$16.99	$16.66	$16.61	$17.14	$17.25	$23.30
Low	$18.69	$16.35	$16.60	$16.21	$16.57	$15.54	$16.09	$16.51	$16.51	$22.70
Volume	742,159	96,431	79,098	54,279	42,080	633,702	9,760	79,599	5,401	132,040
April 2025										
High	$18.86	$16.63	$17.23	$16.68	$17.00	$16.62	$16.76	$17.19	$17.49	$23.45
Low	$17.35	$15.11	$15.57	$14.99	$15.57	$14.01	$15.19	$14.93	$15.50	$21.35
Volume	795,842	37,062	76,011	36,777	19,845	343,059	15,294	83,261	19,365	79,319
May 2025										
High	$19.25	$17.10	$17.39	$17.27	$17.27	$17.38	$17.09	$18.33	$18.04	$24.20
Low	$18.22	$16.00	$16.35	$15.57	$16.21	$15.33	$15.76	$16.30	$16.40	$22.60
Volume	395,642	68,750	37,778	225,138	173,849	225,436	23,182	198,807	28,062	81,799
June 2025										
High	$20.08	$17.90	$18.12	$17.81	$18.14	$17.40	$17.25	$18.35	$18.27	$24.48
Low	$19.23	$17.01	$17.43	$17.01	$17.17	$16.43	$16.65	$17.60	$17.60	$23.89
Volume	527,187	147,496	31,444	189,827	17,377	218,566	7,681	41,478	14,664	32,043
July 2025										
High	$21.16	$19.21	$19.09	$18.95	$19.21	$18.72	$18.54	$19.63	$19.38	$24.89
Low	$19.60	$17.78	$17.91	$17.50	$17.90	$17.40	$17.09	$18.10	$18.20	$24.25
Volume	273,086	48,367	101,005	96,595	26,336	674,685	35,269	551,232	17,883	44,360
August 2025										
High	$21.26	$19.20	$19.25	$19.01	$19.20	$18.72	$18.97	$19.64	$19.74	$25.47
Low	$20.70	$18.70	$18.94	$18.66	$18.42	$18.20	$18.26	$19.20	$19.00	$24.50
Volume	111,468	44,981	48,750	60,279	19,031	742,122	19,600	230,283	19,365	280,068
September 2025										
High	$21.31	$19.19	$19.44	$19.09	$19.50	$18.70	$18.49	$19.68	$19.44	$25.51
Low	$20.69	$18.95	$19.12	$18.72	$19.01	$18.17	$18.20	$19.36	$19.30	$24.87
Volume	128,604	17,136	414,580	56,586	25,402	1,155,715	11,201	748,122	6,797	51,527
October 2025										
High	$21.07	$19.54	$19.88	$19.50	$19.46	$18.94	$18.60	$20.36	$20.00	$25.74
Low	$20.50	$18.52	$19.07	$18.67	$19.03	$18.24	$18.30	$19.40	$19.40	$25.04
Volume	261,968	103,449	75,232	74,720	28,338	519,002	44,805	100,492	28,676	48,298
November 2025										
High	$21.40	$19.58	$19.50	$19.79	$19.25	$19.38	$18.94	$21.04	$20.84	$26.08
Low	$20.75	$19.02	$19.10	$19.01	$19.14	$18.65	$18.87	$20.24	$19.93	$25.09
Volume	191,480	230,541	81,433	18,658	10,600	105,590	166,825	91,068	6,900	60,940
December 2025										
High	$22.35	$20.30	$20.40	$20.21	$20.20	$20.00	$19.15	$21.29	$21.00	$26.00
Low	$21.42	$19.62	$19.47	$19.59	$19.43	$19.17	$18.05	$20.80	$20.44	$25.25
Volume	424,294	259,272	102,623	51,565	21,525	301,607	42,567	413,678	20,600	239,291

6 Dividends and dividend payout policy

This section contains forward-looking statements, including, but not limited to, relating to BCE's common share dividend and dividend payout policy target, expected dividend payout ratio level in the medium term, BCE's business outlook, objectives and plans. Refer to section 1, Caution regarding forward-looking statements in this Annual Information Form.

BCE has a long-standing objective of returning capital to shareholders through a sustainable common share dividend. Our dividend payout policy is an integral component of our capital allocation framework and is designed to balance shareholder returns with the funding requirements of our strategic priorities and the maintenance of a strong balance sheet.

In May 2025, following a comprehensive review of the macroeconomic, regulatory and competitive environments of BCE, the BCE Board established the annualized dividend at $1.75 per BCE common share effective starting from the July 15, 2025 dividend payment date. At the same time, BCE's common share dividend payout policy was updated to target a dividend payout range of 40% to 55% of free cash flow. This revised policy reflects the BCE Board's focus on enhancing financial flexibility, supporting accelerated deleveraging and optimizing BCE's cost of capital in the current operating and capital market environment, while maintaining a meaningful and sustainable dividend for shareholders.

The dividend payout policy is designed to remain consistent in the long term. As a result, dividends are not automatically reduced in a year when free cash flow is lower or increased in a year when free cash flow is higher.

On February 5, 2026, the BCE Board declared a quarterly dividend of $0.4375 per common share, payable on April 15, 2026 to shareholders of record at the close of business on March 16, 2026.

For the year ended December 31, 2025, BCE's dividend payout ratio[1] was approximately 64% of free cash flow, which is above the target policy range, reflecting the transitional nature of the year following the mid-year reset of the dividend level. The dividend payout ratio is expected to trend toward the target policy range over the medium term, supported by continued free cash flow generation, disciplined capital investment and our ongoing focus on balance sheet optimization.

As announced in May 2025, BCE committed to providing, on an annual basis, the implied dividend payout ratio calculated on the basis of free cash flow after payment of lease liabilities, in addition to the dividend payout ratio assessed against our policy framework. This financial measure is provided to enhance transparency for investors regarding cash available for dividend payments after lease repayments and does not form part of BCE's dividend payout policy, which continues to be assessed against free cash flow.

For the year ended December 31, 2025, the implied dividend payout ratio based on free cash flow after payment of lease liabilities[1] was approximately 99%, reflecting the transitional nature of the year following the mid-year reset of the dividend level.

The dividend payout policy is intended to provide a long-term framework for BCE's approach to allocating cash generated by the business, is not intended to restrict the discretion of the BCE Board in declaring dividends and does not bind BCE in declaring any set amount of dividend. BCE's dividend policy, setting the common share dividend rate and the declaration of dividends are subject to the discretion of the BCE Board and, consequently, there can be no guarantee that BCE's dividend payout policy will be maintained or achieved, that the dividend on common shares will be maintained, or that dividends will be declared. Dividend rates and the declaration of dividends by the BCE Board are ultimately dependent on BCE's corporate strategy, operations, and financial results, which are, in turn, subject to various assumptions and risks, including those outlined in section 1, Caution regarding forward-looking statements, in this Annual Information Form.

For additional information, refer to section *1.4, Capital allocation strategy* of the BCE 2025 MD&A, on pages 17 to 19 of the **BCE 2025 Annual Financial Report**.

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*[1] Dividend payout ratio and dividend payout ratio after payment of lease liabilities are non-GAAP ratios. Refer to section 11.2, Non-GAAP ratios on page 111 of the **BCE 2025 Annual Financial Report** for more information on these measures.*

The table below describes the increases (decreases) in BCE's annualized common share dividend starting with the quarterly dividend payable on April 17, 2023.

Date of announcement	Amount of increase (decrease)	Effective date
February 2, 2023	5.2% (from $3.68 per share to $3.87 per share)	Quarterly dividend payable on April 17, 2023
February 8, 2024	3.1% (from $3.87 per share to $3.99 per share)	Quarterly dividend payable on April 15, 2024
February 6, 2025	0% (from $3.99 per share to $3.99 per share)	Quarterly dividend payable on April 15, 2025
May 8, 2025	(56.1%) (from $3.99 per share to $1.75 per share)	Quarterly dividend payable on July 15, 2025
February 5, 2026	0% (from $1.75 per share to $1.75 per share)	Quarterly dividend payable on April 15, 2026

Dividends on BCE's first preferred shares are, if declared, payable quarterly, except for dividends on Series S, Series Y, Series AB, Series AD, Series AE, Series AH and Series AJ first preferred shares, which, if declared, are payable monthly.

The table below shows the amount of cash dividends declared per BCE common share and per Series R, Series S, Series T, Series Y, Series Z, Series AA, Series AB, Series AC, Series AD, Series AE, Series AF, Series AG, Series AH, Series AI, Series AJ, Series AK, Series AL, Series AM, Series AN, Series AO and Series AQ first preferred share for 2025, 2024 and 2023.

	2025	2024	2023
Common shares	$2.31000	$3.99	$3.87
First preferred shares			
Series R	$0.86169	$0.75450	$0.75450
Series S	$1.20572	$1.64999	$1.74988
Series T	$1.24750	$1.24750	$1.24750
Series Y	$1.20572	$1.64999	$1.74988
Series Z	$1.33650	$1.33650	$1.33650
Series AA	$1.23500	$1.23500	$1.23500
Series AB	$1.20572	$1.64999	$1.74988
Series AC	$1.27000	$1.27000	$1.27000
Series AD	$1.20572	$1.64999	$1.74988
Series AE	$1.20572	$1.64999	$1.74988
Series AF	$1.37400	$0.96625	$0.96625
Series AG	$0.84250	$0.84250	$0.84250
Series AH	$1.20572	$1.64999	$1.74988
Series AI	$0.84750	$0.84750	$0.84750
Series AJ	$1.20572	$1.64999	$1.74988
Series AK	$0.82650	$0.82650	$0.82650
Series AL	$1.19576	$1.66799	$1.62174
Series AM	$0.73475	$0.73475	$0.73475
Series AN	$1.24827	$1.72063	$1.67424
Series AQ	$1.63450	$1.63450	$1.31088

7 Our directors and executive officers

7.1 Directors

The table below lists BCE's directors, where they lived, the date they were elected or appointed and their principal occupation as at March 5, 2026.

Under BCE's by-laws, each director holds office until the earlier of the next annual meeting of shareholders or his or her resignation.

Name, province/state and country of residence	Date elected or appointed to the BCE Board	Principal occupation as at March 5, 2026
Mirko Bibic, Ontario, Canada	January 2020	President and Chief Executive Officer, BCE and Bell Canada, since January 2020
Robert P. Dexter, Nova Scotia, Canada	November 2014	Chair and Chief Executive Officer of Maritime Travel Inc. (an integrated travel company), since July 1979
Katherine Lee, Ontario, Canada	August 2015	Corporate director, since March 2018, and Chartered Professional Accountant
Monique F. Leroux, C.M., O.Q., FCPA, F.ICD Québec, Canada	April 2016	Corporate director, since April 2016, and Chartered Professional Accountant
Sheila A. Murray, Ontario, Canada	May 2020	Corporate director, since April 2019
Gordon M. Nixon, C.M., O.Ont., Ontario, Canada	November 2014	Chair of the board of directors, BCE and Bell Canada, since April 2016, and corporate director, since September 2014
Louis P. Pagnutti, FCPA, FCA, Ontario, Canada	November 2020	Corporate director, since September 2020, and Chartered Professional Accountant
Calin Rovinescu, C.M., Ontario, Canada	April 2016	Executive Chairman of CAE Inc., since August 2025
Karen Sheriff, Ontario, Canada	April 2017	Corporate director, since October 2016
Jennifer Tory, C.M., Ontario, Canada	April 2021	Corporate director, since December 2019
Louis Vachon, C.M., O.Q., Québec, Canada	October 2022	Operating Partner, J.C. Flowers & Co. (a private investment firm), since January 2022
Steve Weed, Nevada, United States	November 2025	Chief Executive Officer, WaveDivision Capital (a private investment firm), since March 2003
Johan Wibergh, Barbados	November 2023	Corporate director, since February 2023
Cornell Wright, Ontario, Canada	April 2021	President, Wittington Investments, Limited (the principal holding company of the Weston group of companies, which includes George Weston, Loblaw and Choice Properties), since January 2022

Past occupation

All of BCE's directors have held the positions listed above or other senior management positions with the same or associated firms or organizations during the past five years or longer, except for the directors listed below.

Name	Past occupation
Calin Rovinescu, C.M.	From February 2021 to August 2025, a corporate director and prior to February 2021, the President & CEO of Air Canada
Louis Vachon, C.M., O.Q.	Chief Executive Officer of National Bank of Canada (a chartered bank), from 2007 to November 2021
Johan Wibergh	Chief Technology Officer of Vodafone Group plc (a global telecommunications provider), from 2015 to December 2022
Cornell Wright	Partner of Torys LLP (a law firm), from 2009 to April 2021

Committees of the BCE Board

The table below lists the committees of the BCE Board and their members on March 5, 2026.

Committee	Members
Audit	Louis P. Pagnutti (Chair) Katherine Lee, Monique F. Leroux, Jennifer Tory, Johan Wibergh, Cornell Wright
Corporate Governance	Monique F. Leroux (Chair) Katherine Lee, Sheila A. Murray, Karen Sheriff, Cornell Wright
Management Resources and Compensation	Sheila A. Murray (Chair) Robert P. Dexter, Calin Rovinescu, Jennifer Tory, Louis Vachon, Steve Weed
Risk and Pension Fund	Calin Rovinescu (Chair) Robert P. Dexter, Louis P. Pagnutti, Karen Sheriff, Louis Vachon, Johan Wibergh

7.2 Executive officers

On May 20, 2025, Mark McDonald became Executive Vice President, Chief Technology Officer of Bell Canada. Mark McDonald was previously Senior Vice President, Networks.

The table below lists BCE's and Bell Canada's executive officers, where they lived and the office they held at BCE and/or Bell Canada as at March 5, 2026.

Name	Province and country of residence	Office held at BCE/Bell Canada
Mirko Bibic	Ontario, Canada	President and Chief Executive Officer (BCE and Bell Canada)
Sean Cohan	Ontario, Canada	President, Bell Media (Bell Canada)
Hadeer Hassaan	Ontario, Canada	Executive Vice President, Chief Information and Customer Experience Officer (Bell Canada)
Blaik Kirby	Ontario, Canada	Group President, Consumer and Small Business (Bell Canada)
Devorah Lithwick	Ontario, Canada	Senior Vice President and Chief Brand Officer (Bell Canada)
Robert Malcolmson	Ontario, Canada	Executive Vice President and Chief Legal & Regulatory Officer (BCE and Bell Canada)
Mark McDonald	Ontario, Canada	Executive Vice President, Chief Technology Officer (Bell Canada)
Curtis Millen[1]	Québec, Canada	Executive Vice President and Chief Financial Officer (BCE and Bell Canada)
Nikki Moffat	Ontario, Canada	Executive Vice President, Corporate Services and Chief Human Resources Officer (BCE and Bell Canada)
Karine Moses[1]	Québec, Canada	Senior Vice President, Sales and Vice Chair, Québec (Bell Canada)
John Watson	Ontario, Canada	Group President, Business Markets, AI and Ateko (Bell Canada)

(1) Karine Moses and Curtis Millen were formerly director of FormerGestion Inc. (formerly Gestion Juste Pour Rire Inc.) and related entities, which filed on March 5, 2024 a notice of intention to make a proposal under section 50.4 of the Bankruptcy and Insolvency Act, which proceedings were subsequently continued on March 15, 2024 under the Companies' Creditors Arrangement Act. On December 17, 2025, these entities were assigned into bankruptcy.

All of our executive officers have held their present positions or other senior management positions with BCE or Bell Canada during the past five years or longer, except for Sean Cohan, who was Chief Growth Officer & President at Nielsen Holdings PLC (a global measurement and data analytics company) from March 2020 to January 2023 and President at Pick Six LLC (a media consulting and investing company) from 2019 to 2020.

7.3 Directors' and executive officers' share ownership

As at December 31, 2025, BCE's directors and executive officers elected or appointed at such date as a group beneficially owned, or exercised control or direction over, directly or indirectly, 483,095 common shares (or less than 0.1%) of BCE.

8 Legal proceedings

In the ordinary course of our business, we become involved in various claims and legal proceedings seeking monetary damages and other relief. In particular, because of the nature of our consumer-facing business, we are exposed to class actions pursuant to which substantial monetary damages may be claimed. This section describes important legal proceedings in which we were involved as at March 5, 2026. This list is not comprehensive and we are involved in a number of other legal proceedings. Due to the inherent risks and uncertainties of the litigation process, we cannot predict the final outcome or timing of claims and legal proceedings. Subject to the foregoing, and based on information currently available and management's assessment of the merits of the claims and legal proceedings pending at March 5, 2026, management believes that the ultimate resolution of these claims and legal proceedings is unlikely to have a material and negative effect on our financial statements or operations. We believe that we have strong defences and we intend to vigorously defend our positions.

For this Annual Information Form, we have re-evaluated the disclosure previously included regarding legal proceedings to focus on significant claims and legal proceedings.

Class actions concerning price increase

On November 27, 2015, an application for authorization to institute a class action was filed in the Québec Superior Court against Bell Canada, Bell ExpressVu and Bell Mobility on behalf of all Québec consumers whose monthly fees for wireline telephone services, Internet services, Fibe TV services, satellite TV services or wireless postpaid services were unilaterally modified at any time since November 2012. The plaintiff alleges that the notices provided by the defendants of the price increases were not compliant with the Quebec Consumer Protection Act (QCPA). The action seeks the reimbursement, since November 2012, of the monthly price increases, and payment of punitive damages in the amount of $100 per class member. On July 10, 2017, the court authorized the action to proceed as a class action.

On December 12, 2018, another application for authorization to institute a class action was filed in the Québec Superior Court against Télébec and Cablevision du Nord on behalf of all Québec consumers and business entities whose monthly fees for wireline telephone services, Internet services, TV services or wireless postpaid services were unilaterally modified at any time since December 2015. The plaintiff alleges that the notices provided by the defendants of the price increases were not compliant under the QCPA and the Civil Code of Québec. The action seeks the reimbursement, since December 2015, of the monthly price increases, and payment of punitive damages in the amount of $100 per class member. On February 5, 2022 the court authorized the action to proceed as a class action for the price increases that occurred between December 12, 2015, and November 2, 2022.

Class action and purported class action concerning relevant advertisements initiative

On April 14 and 16, 2015, respectively, an application for authorization to institute a class action was filed against Bell Canada and Bell Mobility in the Québec Superior Court and a statement of claim was filed against Bell Canada and Bell Mobility pursuant to the Class Proceedings Act (Ontario) in the Ontario Superior Court. The plaintiffs seek damages for breach of contract, breach of applicable consumer protection legislation, breach of the Civil Code of Québec, intrusion upon seclusion, negligence, breach of confidence, unjust enrichment and waiver of tort resulting from Bell Canada's and Bell Mobility's alleged unauthorized use and disclosure of personal information pursuant to the Relevant Advertisements Initiative. Unspecified punitive damages are sought in both actions. On November 16, 2017, the court stayed the Québec action. On May 13, 2019, the Ontario Superior Court certified the Ontario action as a national class action against Bell Mobility for the period between November 16, 2013 and April 14, 2015.

Class action concerning wireless minutes calculation

On August 18, 2008, a statement of claim was filed pursuant to the Class Proceedings Act (Ontario) in the Ontario Superior Court against Bell Mobility on behalf of all Canadian Bell Mobility customers who, since July 2002, have had their wireless airtime rounded up to the next full minute. The action alleges misrepresentation and breach of contract and seeks reimbursement of all amounts received by Bell Mobility as a result of the rounded-up portion of per minute charges for wireless airtime, alleged to be general damages of $500 million and punitive damages of $20 million. The action was certified as a class action on November 25, 2014, for the period between August 18, 2006 and October 1, 2009.

Purported class action concerning “911 fees”

On June 26, 2008, a statement of claim was filed under The Class Actions Act (Saskatchewan) in the now Saskatchewan Court of King’s Bench against a number of wireless service providers, including Bell Mobility and its predecessors Bell MTS and Bell Aliant. The claim alleges, among other things, breach of contract and duty to inform, deceit, misrepresentation, unjust enrichment, breaches of provincial consumer protection legislation and the Competition Act, and collusion in connection with certain “911 fees” invoiced by wireless service providers to their customers. The plaintiffs seek unspecified damages, punitive damages and an accounting and constructive trust of the “911 fees” collected. The action seeks certification of a national class encompassing all customers, wherever resident in Canada. The action has not yet been certified as a class action.

Class action concerning wireless system access fees (“SAF”)

On August 9, 2004, a statement of claim was filed under The Class Actions Act (Saskatchewan) in the now Saskatchewan Court of King’s Bench against a number of wireless service providers, including Bell Mobility and its predecessors Bell MTS and Bell Aliant. The claim alleged, among other things, breach of contract and duty to inform, deceit, misrepresentation, unjust enrichment and collusion in connection with certain system access fees and system licensing charges invoiced by wireless communications service providers to their customers, and is seeking unspecified general and punitive damages. In 2017, the court granted certification only on the grounds of unjust enrichment for a national class encompassing all customers, wherever resident in Canada, on the basis of an opt-out class in Saskatchewan and an opt-in class elsewhere in Canada.

Other

We are subject to other claims and legal proceedings in the ordinary course of our current and past operations, including class actions, employment-related disputes, contract disputes, competitor disputes and customer disputes. In some claims and legal proceedings, the claimant seeks damages as well as other relief which, if granted, could require substantial expenditures on our part or could result in changes to our business practices.

9 Interest of management and others in material transactions

To the best of our knowledge, there have been no current or nominated directors or executive officers or any associate or affiliate of a current or nominated director or executive officer with a material interest in any transaction within the three most recently completed financial years or during the current financial year that has materially affected us or is reasonably expected to materially affect us.

10 Interest of experts

Deloitte LLP was the auditor of BCE for the year ended December 31, 2024. As of March 6, 2025 and throughout the period covered by the financial statements on which they reported, Deloitte LLP was independent of BCE within the meaning of the Code of Ethics of the *Ordre des comptables professionnels agréés* du Québec and within the meaning of the U.S. Securities Act of 1933, as amended, and the applicable rules and regulations thereunder adopted by the SEC and the Public Company Accounting Oversight Board (United States).

Ernst & Young LLP prepared the Report of independent registered public accounting firm in respect of our audited consolidated financial statements as at and for the year ended December 31, 2025, and the Report of independent registered public accounting firm in respect of our internal control over financial reporting as of December 31, 2025. Ernst & Young LLP is independent of BCE within the meaning of the Code of Ethics of the *Ordre des comptables professionnels agréés* du Québec and within the meaning of the U.S. Securities Act of 1933, as amended, and the applicable rules and regulations thereunder adopted by the SEC and the Public Company Accounting Oversight Board (United States).

11 Transfer agent and registrar

The transfer agent and registrar for the common shares and preferred shares of BCE in Canada is TSX Trust Company at its principal offices in Montréal, Québec; Toronto, Ontario; Calgary, Alberta; and Vancouver, British Columbia; and in the U.S. the transfer agent and registrar is Equiniti Trust Company, LLC (successor to American Stock Transfer & Trust Company, LLC) at its principal office in New York, New York.

The register for Bell Canada's Canadian unsubordinated debentures is kept at the principal office of Computershare Advantage Trust of Canada (formerly BNY Trust Company of Canada) in Montréal, and facilities for registration, exchange and transfer of the Canadian unsubordinated debentures are maintained at the principal offices of Computershare Advantage Trust of Canada (formerly BNY Trust Company of Canada) in Montréal and Toronto.

The register for Bell Canada's Canadian subordinated debentures is kept at the principal office of Computershare Advantage Trust of Canada (formerly BNY Trust Company of Canada) in Montréal, and facilities for registration, exchange and transfer of the Canadian subordinated debentures are maintained at the principal offices of Computershare Advantage Trust of Canada (formerly BNY Trust Company of Canada) in Montréal and Toronto.

The register for Bell Canada's U.S. notes, issued pursuant to its 2016 U.S. trust indenture, is kept at the principal office of The Bank of New York Mellon in New York, and facilities for registration, exchange and transfer of such U.S. notes are also maintained at the principal office of The Bank of New York Mellon in New York.

The register for Bell Canada's U.S. Junior Subordinated Notes issued pursuant to its 2025 U.S. trust indenture is kept at the principal office of The Bank of New York Mellon in New York, and facilities for registration, exchange and transfer of such U.S. Junior Subordinated Notes are also maintained at the principal office of The Bank of New York Mellon in New York.

The register for Bell Canada's Canadian Junior Subordinated Notes issued pursuant to its 2025 Canadian trust indenture is kept at the principal office of Computershare Trust Company of Canada in Montréal, and facilities for registration, exchange and transfer of such Canadian Junior Subordinated Notes are also maintained at the principal offices of Computershare Trust Company of Canada in Montréal and Toronto.

12 For more information

This Annual Information Form as well as BCE's annual and quarterly shareholder reports and news releases are available on BCE's website at **bce.ca**.

Additional information, including information about directors' and officers' remuneration and securities authorized for issuance under equity compensation plans, is contained in BCE's management proxy circular for its most recent annual meeting of security holders that involved the election of directors.

Additional information relating to BCE is available on SEDAR+ at **sedarplus.ca** and on EDGAR at **sec.gov**. Additional financial information is provided in BCE's audited consolidated financial statements and the related management's discussion and analysis for BCE's most recently completed financial year, contained in the **BCE 2025 Annual Financial Report**. You may ask for a copy of the annual and quarterly management's discussion and analysis of BCE by contacting BCE's Investor Relations group at Building A, 8th Floor, 1, Carrefour Alexander-Graham-Bell, Verdun, Québec H3E 3B3 or by sending an e-mail to **investor.relations@bce.ca**.

Shareholder inquiries	1-800-561-0934
Investor relations	1-800-339-6353

13 Schedule 1 – Audit Committee information

The purpose of BCE's Audit Committee (Audit Committee) is to assist the BCE Board in its oversight of:

- the integrity of BCE's financial statements and related information;
- BCE's compliance with applicable legal and regulatory requirements;
- the independence, qualifications and appointment of the external auditors;
- the performance of both the external and internal auditors;
- management's responsibility for assessing and reporting on the effectiveness of internal controls;
- BCE's risk processes as they relate to financial reporting and management.

Members' financial literacy, expertise and simultaneous service

Under the *Sarbanes-Oxley Act of 2002* and related SEC rules, BCE is required to disclose whether its Audit Committee members include at least one "audit committee financial expert" as defined by these rules. In addition, National Instrument 52-110 – *Audit Committees* and the NYSE governance rules followed by BCE require that all audit committee members be "financially literate" and "independent".

The BCE Board has determined that all the members of the Audit Committee during 2025 were, and all current members of the Audit Committee are, financially literate and independent, and that the current Chair of the Audit Committee, Mr. L.P. Pagnutti, as well as Ms. K. Lee and Ms. M.F. Leroux are qualified as "audit committee financial experts". The table below outlines the relevant education and experience of all members of the Audit Committee, whether during 2025 or currently.

Relevant education and experience

L.P. Pagnutti, FCPA, FCA (Chair)	Mr. Pagnutti has been a director of BCE since November 2020 and is Chair of the Audit Committee since January 2021. Mr. Pagnutti is a corporate director and was Global Managing Partner Business Enablement of EY (a professional services firm) and a member of EY's Global Executive Board until his retirement in September 2020. As Global Managing Partner, he was responsible for EY's business functions across the globe. He oversaw EY's strategy and its execution for all functions, including technology, finance, risk management, legal, shared services and procurement. Mr. Pagnutti joined EY Assurance in 1981, before moving to EY Tax in 1986. From 2004 until 2010, he was Chairman and Chief Executive Officer of EY Canada and a member of the EY Americas Executive Board. He was EY Asia-Pacific Area Managing Partner from 2010 to 2013. Mr. Pagnutti holds an Honours Bachelor of Commerce degree from Laurentian University. He earned his Chartered Accountant designation in 1983 and was honoured with a Fellow Chartered Accountant designation in 2006. He has served on the Sunnybrook Hospital Foundation and Pathways to Education boards. Mr. Pagnutti initiated EY Canada's role as National Volunteer Partner of Pathways to Education, a program dedicated to helping high school students from low-income and under-represented groups complete high school and pursue post-secondary education.
K. Lee	Ms. Lee has been a director of BCE since August 2015. She is a corporate director and, from 2010 to February 2015, served as President and Chief Executive Officer of GE Capital Canada (a leading global provider of financial and fleet management solutions to mid-market companies operating in a broad range of economic sectors). Prior to this role, Ms. Lee served as Chief Executive Officer of GE Capital Real Estate in Canada from 2002 to 2010, building it to a full debt and equity operating company. Ms. Lee joined GE in 1994, where she held a number of positions, including Director, Mergers & Acquisitions, for GE Capital's Pension Fund Advisory Services based in San Francisco, and Managing Director of GE Capital Real Estate Korea based in Seoul and Tokyo. Ms. Lee earned a Bachelor of Commerce degree from the University of Toronto. She is a Chartered Professional Accountant and Chartered Accountant. She is active in the community, championing women's networks and Asia-Pacific forums. Ms. Lee is also a director of Colliers International Group and Public Sector Pension Investment Board. In 2025, Ms. Lee received the Horatio Alger Award.

M.F. Leroux, C.M., O.Q., FCPA, F.ICD	Ms. Leroux has been a director of BCE since April 2016. Companion of the Canadian Business Hall of Fame and the Investment Industry Hall of Fame, Ms. Leroux is a corporate director, who serves as an independent director of Michelin Group and Alimentation Couche-Tard Inc. As such, she brings to these boards her diverse experience, among others as Audit Partner at Ernst and Young from 1988 to 1995 and Chair of the Board and Chief Executive Officer of Desjardins Group from 2008 to 2016. She brings an extensive business experience and financial expertise. Ms. Leroux is Chair of Michelin's Corporate Social Responsibility Committee, which oversees ESG (including climate change) matters for the company. In 2020, Ms. Leroux acted as Chair of the Industry Strategy Council for the Canadian Government and, from 2016 to 2020, she was Chair of the Board of Investissement Québec. She is Vice-Chair of the Montreal Symphony Orchestra (OSM) and she is also Chair of the Boards of the University of Sherbrooke and Conservatoire de musique et d'art dramatique du Québec. Ms. Leroux is a Companion of the Order of Canada, an Officer of the Ordre national du Québec, a Chevalier of the Légion d'honneur (France) and a recipient of the Woodrow Wilson Award (United States). She has been awarded Fellowship by the Ordre des comptables professionnels agréés du Québec and the Institute of Corporate Directors and holds honourary doctorates from 12 Canadian universities in recognition of her contribution to the business sector and to the community.
J. Tory, C.M.	Ms. Tory has been a director of BCE since April 2021. She is a corporate director who was, until her retirement in December 2019, the Chief Administrative Officer of RBC (a chartered bank), where she held responsibility for Brand, Marketing, Citizenship (ESG) & Communications, Procurement and Real Estate functions globally. Prior to this role, she was Group Head, Personal & Commercial Banking, leading RBC's retail and commercial customer businesses and operations in Canada and the Caribbean from 2014 to 2017. Throughout her 42-year career, Ms. Tory held a number of key senior operating positions across retail distribution and operations, including overseeing digital and cost transformation of the business. An acknowledged community leader and fundraiser, she currently sits on the board of the Sunnybrook Hospital Foundation and is past Chair of the board of the Toronto International Film Festival. A champion of diversity, Ms. Tory is the recipient of numerous awards recognizing her work related to the advancement of women. She has completed her Global Competent Board Sustainability & ESG Designation and Certificate (GCB.D), which included a session on climate change and biodiversity.
J. Wibergh	Mr. Wibergh has been a director of BCE since November 2023. He is the former Chief Technology Officer of Vodafone, a global telecommunications provider, having retired in January 2023. He is a seasoned technology executive with over 35 years of experience in managing large-scale operations across the globe, having served in various C-suite positions with leading global companies for more than 15 years. Mr. Wibergh's career includes nearly eight years as the Group Chief Technology Officer of Vodafone and 6.5 years as EVP & Head of Business Unit Networks for Ericsson. His leadership experience spans technology innovation, telecoms networks, enterprise networks, digital and IT systems, cybersecurity, R&D, product management, operational excellence, and large-scale 24/7 operations. Mr. Wibergh is a member of four American boards, AST SpaceMobile, Inc., Trimble Inc., Avanci LLC and Cohere Technologies. Mr. Wibergh's previous board experience includes Vantage Towers AG (2020–2022), KTH Royal Institute of Technology (2010–2016) and chair of Next Generation Mobile Networks (2016–2018). He has also served on the advisory boards of IBM, HP Enterprises and Amdocs. Mr. Wibergh has a Masters in Computer Science and Engineering from Linköping University, Sweden.
C. Wright	Mr. Wright has been a director of BCE since April 2021. Mr. Wright is President of Wittington Investments, Limited (Wittington) (the principal holding company of the Weston group of companies, which includes George Weston, Loblaw and Choice Properties). As President of Wittington, Mr. Wright serves as a director of the Weston group of companies. Mr. Wright joined Wittington in 2021 following a 20-year career at Torys LLP (a law firm), where he was a leading corporate lawyer. He served as Chair of the firm's Corporate Department and was co-head of the firm's M&A Practice. Mr. Wright has a broad range of experience in complex transactional, securities, private equity, regulatory, governance and compliance matters. He is a Fellow of The American College of Governance Counsel. Mr. Wright is a Trustee of University Health Network and a member of the Dean's Advisory Board at the Rotman School of Management, and is past Chair of the board of the National Ballet of Canada. He holds a Bachelor of Arts degree from McGill University and JD and MBA degrees from the University of Toronto.

The NYSE rules followed by BCE require that if an audit committee member serves simultaneously on the audit committee of more than three public companies, the board of directors must determine and disclose that this simultaneous service does not impair the ability of the member to effectively serve on the Audit Committee. No Audit Committee member currently serves simultaneously on the audit committee of more than three public companies.

Pre-approval policies and procedures

BCE's Auditor Independence Policy is a comprehensive policy governing all aspects of our relationship with the external auditors, including:

- establishing a process for determining whether various audit and other services provided by the external auditors affect their independence;
- identifying the services that the external auditors may and may not provide to BCE and its subsidiaries;
- pre-approving all services to be provided by the external auditors of BCE and its subsidiaries;
- establishing a process outlining procedures when hiring current or former personnel of the external auditors in a financial oversight role to ensure auditor independence is maintained.

In particular, the policy specifies that:

- the external auditors cannot be hired to provide any services falling within the prohibited services category, such as bookkeeping, financial information system design and implementation, or legal services;
- for all audit and non-audit services falling within the permitted services category (such as prospectus, due diligence and non-statutory audits), a request for approval must be submitted to the Audit Committee prior to engaging the external auditors; and
- at each regularly scheduled Audit Committee meeting, a summary of all fees billed by the external auditors by type of service is presented.

The Auditor Independence Policy is available in the governance section of BCE's website at **bce.ca**.

External auditors' fees

The table below shows the fees that BCE's external auditors billed to BCE and its subsidiaries for various services in each of the past two fiscal years.

	Ernst & Young LLP 2025 (in $ millions)	Deloitte LLP 2024 (in $ millions)
Audit fees[1]	5.4	10.5
Audit-related fees[2]	0.2	3.5
Tax fees[3]	—	0.3
All other fees[4]	—	0.1
Total[5]	5.6	14.4

(1) These fees include professional services provided by the external auditors for statutory audits of the annual financial statements, the audit of the effectiveness of internal control over financial reporting, the review of interim financial reports, the review of financial accounting and reporting matters, the review of securities offering documents and translation services.

(2) These fees relate to non-statutory audits and due diligence procedures, and other regulatory audits and filings.

(3) These fees include professional services for tax compliance, tax advice and assistance with tax audits.

(4) These fees include any other fees for permitted services not included in any of the above-stated categories.

(5) The amounts of $5.6 million for 2025 and $14.4 million for 2024 reflect fees billed in those fiscal years without taking into account the year to which those services relate. Total fees for services provided for each fiscal year amounted to $5.6 million in 2025 and $10.9 million in 2024. In addition, Ernst & Young LLP billed BCE additional fees of $3.0 million in 2026 that related to services provided in 2025.

14 Schedule 2 – Audit Committee charter

I. Purpose

The purpose of the Audit Committee is to assist the Board of Directors in its oversight of:

A. the integrity of the Corporation's financial statements and related information;

B. the Corporation's compliance with applicable legal and regulatory requirements;

C. the independence, qualifications and appointment of the shareholders' auditor;

D. the performance of the shareholders' auditor and internal audit;

E. management responsibility for assessing and reporting on the effectiveness of internal controls; and

F. the Corporation's risks as they relate to financial reporting and management.

II. Duties and Responsibilities

The Audit Committee shall perform the functions customarily performed by audit committees and any other functions assigned by the Board of Directors. In particular, the Audit Committee shall have the following duties and responsibilities:

A. Financial Reporting and Control

1. On a quarterly and annual basis, review and discuss with management and the shareholders' auditor the following:
    a. major issues regarding accounting principles and financial statement presentation, including any significant changes in the Corporation's selection or application of accounting principles or material related party transactions, and issues as to the adequacy of the Corporation's internal controls and any special audit steps adopted in light of material control deficiencies;
    b. analyses prepared by management and/or the shareholders' auditor setting forth significant financial reporting issues and judgements made in connection with the preparation of the financial statements, including the impact of selecting one of several International Financial Reporting Standards (IFRS) and/or non IFRS measures on the financial statements when such a selection has been made in the current reporting period;
    c. the effect of regulatory and accounting developments, as well as off-balance sheet arrangements, on the financial statements of the Corporation; and
    d. the type and presentation of information to be included in earnings press releases (including any use of pro-forma or non-IFRS information).
2. Meet to review and discuss with management and the shareholders' auditor, report and, where appropriate, provide recommendations to the Board of Directors on the following prior to its public disclosure:
    a. the Corporation's annual and interim consolidated financial statements and the related "Management's Discussion and Analysis", safe harbour notice concerning forward-looking statements, annual integrated report, Annual Information Form, earnings press releases and earnings guidance provided to analysts and rating agencies and the integrity of the financial reporting of the Corporation;
        – In addition to the role of the Audit Committee to make recommendations to the Board of Directors, where the members of the Audit Committee consider that it is appropriate and in the best interest of the Corporation, the Corporation's interim consolidated financial statements and the related "Management's Discussion and Analysis", the interim earnings press releases and the earnings guidance, may also be approved on behalf of the Board of Directors by the Audit Committee, provided that such approval is subsequently reported to the Board of Directors at its next meeting;
    b. any audit issues raised by the shareholders' auditor and management's response thereto, including any restrictions on the scope of the activities of the shareholders' auditor or access to requested information and any significant disagreements with management.

3. Review and discuss reports from the shareholders' auditor on:
   a. all critical accounting policies and practices used by the Corporation;
   b. all material selections of accounting policies when there is a choice of policies available under IFRS that have been discussed with management, including the ramifications of the use of such alternative treatment and the alternative preferred by the shareholders' auditor; and
   c. other material written communications between the shareholders' auditor and management, and discuss such communication with the shareholders' auditor.

B. Oversight of the Shareholders' Auditor

1. Be directly responsible for the appointment, compensation, retention and oversight of the work of the shareholders' auditor, who shall report directly to the Audit Committee, and any other auditor preparing or issuing an audit report or performing other audit services or attest services for the Corporation or any consolidated subsidiary of the Corporation, where required, and review, report and, where appropriate, provide recommendations to the Board of Directors on the appointment, terms and review of engagement, removal, independence and proposed fees of the shareholders' auditor.
2. Approve in advance all audit, review or attest engagement fees and terms for all audit, review or attest services to be provided by the shareholders' auditor to the Corporation and any consolidated subsidiary and any other auditor preparing or issuing an audit report or performing other audit services or attest services for the Corporation or any consolidated subsidiary of the Corporation, where required.
3. Pre-approve all engagements for permitted audit and non-audit services to be provided by the shareholders' auditor to the Corporation and any consolidated subsidiary and to this effect may establish policies and procedures for the engagement of the shareholders' auditor to provide to the Corporation and any consolidated subsidiary permitted non-audit services, which shall include approval in advance by the Audit Committee of all audit/review and permitted non-audit services to be provided by the shareholders' auditor to the Corporation and any consolidated subsidiary.
4. Delegate, if deemed appropriate, authority to the Chief Financial Officer to grant pre-approvals of audit, review and permitted non-audit services, provided that any such approvals shall be presented to the Audit Committee at its next scheduled meeting.
5. Establish policies for the hiring of partners, employees and former partners and employees of the shareholders' auditor.
6. At least annually, consider, assess, and report to the Board of Directors on:
   a. the independence, objectivity and professional skepticism of the shareholders' auditor, including that the shareholders' auditor's performance of permitted non-audit services does not impair the shareholders' auditor's independence;
   b. obtaining from the shareholders' auditor a written statement (i) delineating all relationships between the shareholders' auditor and the Corporation; (ii) assuring that lead audit partner rotation is carried out, as required by law; and (iii) delineating any other relationships that may adversely affect the independence of the shareholders' auditor;
   c. the quality of the engagement team including the evaluation of the lead audit partner, taking into account the opinions of management and internal audit; and
   d. the quality of the communications and interactions with the external auditor.
7. At least annually, obtain and review a report by the shareholders' auditor describing:
   a. the shareholders' auditor's internal quality-control procedures;
   b. any material issues raised by the most recent internal quality-control review, or peer review of the shareholders' auditor firm, or by any inquiry or investigation by governmental or professional authorities, issued in the reporting year, respecting one or more independent audits carried out by the shareholders' auditor firm in Canada and the United States, limited to the Public Company Accounting Oversight Board, and any steps taken to deal with any such issues.
8. At least every 5 years, unless the annual assessment indicates otherwise, conduct a comprehensive review of the shareholders' auditor focussing on the firm and report to the Board of Directors on:
   a. the independence, objectivity and professional skepticism of the shareholders' auditor;
   b. the quality of the engagement team; and
   c. the quality of communications and interactions with the shareholders' auditor.
9. Resolve any disagreement between management and the shareholders' auditor regarding financial reporting.

10. Review the annual audit plan with the shareholders' auditor.
11. Meet periodically with the shareholders' auditor in the absence of management and internal audit.

C. Oversight of Internal Audit

1. Review and discuss with the head of internal audit, report and, where appropriate, provide recommendations to the Board of Directors on the following:
   a. the appointment and mandate of internal audit, including the responsibilities, budget and staffing of internal audit;
   b. discuss with the head of internal audit the scope and performance of internal audit, including a review of the annual internal audit plan, and whether there are any restrictions or limitations on internal audit; and
   c. obtain periodic reports from the head of internal audit regarding internal audit findings, including those related to the Corporation's internal controls, and the Corporation's progress in remedying any audit findings.
2. Meet periodically with the head of internal audit in the absence of management and the shareholders' auditor.

D. Oversight of the Corporation's Internal Control System

1. Review and discuss with management, the shareholders' auditor and internal audit, monitor, report and, where appropriate, provide recommendations to the Board of Directors on the following:
   a. the Corporation's systems of internal controls over financial reporting;
   b. the existence of any fraud, whether or not material, that involves management or other employees who have a significant role in the Corporation's internal controls over financial reporting;
   c. compliance with the policies and practices of the Corporation relating to business ethics and code of conduct;
   d. compliance by Directors, Officers and other management personnel with the Corporation's Disclosure Policy; and
   e. the relationship of the Audit Committee with other committees of the Board of Directors, management and the Corporation's consolidated subsidiaries' audit committees.
2. Review and discuss with the Chief Executive Officer and Chief Financial Officer of the Corporation the process for the certifications to be provided in the Corporation's public disclosure documents.
3. Review, monitor, report, and, where appropriate, provide recommendations to the Board of Directors on the Corporation's disclosure controls and procedures.
4. Establish procedures for the receipt, retention, and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters, including procedures for confidential, anonymous submissions by employees regarding questionable accounting or auditing matters.
5. Meet periodically with management in the absence of the shareholders' auditor and internal audit.

E. Oversight of the Corporation's Financial Reporting and Management Risks

1. Review, monitor, report and, where appropriate, provide recommendations to the Board of Directors on the Corporation's processes for identifying, assessing, mitigating, remedying and, where required, reporting major financial reporting and management risk exposures.
2. Review, report, and where appropriate, provide recommendations to the Board of Directors on certain key financial reporting and management policies, including the Corporation's Auditor Independence Policy and Complaints Procedures for Accounting and Auditing Matters, and recommend changes as deemed appropriate.

F. Journalistic Independence

1. Consider and approve, on recommendation from the Chief Executive Officer, the appointment and termination of the Vice President responsible for CTV News and the Vice President responsible for Noovo News.
2. At least annually, obtain and review reports regarding compliance with the Corporation's Journalistic Independence Policy by each of the Vice President responsible for CTV News and the Vice President responsible for Noovo News.

G. Compliance with Legal Requirements

1. Review and discuss with management, the shareholders' auditor and internal audit, monitor, report and, when appropriate, provide recommendations to the Board of Directors on the adequacy of the Corporation's process for complying with laws and regulations.

2. Receive, on a periodic basis, reports from the Corporation's General Counsel or Chief Legal Officer, with respect to the Corporation's pending or threatened material litigation.

III. Evaluation of the Audit Committee and Report to Board of Directors

A. The Audit Committee shall evaluate and review with the Corporate Governance Committee of the Board of Directors, on an annual basis, the performance of the Audit Committee.

B. The Audit Committee shall review and discuss with the Corporate Governance Committee of the Board of Directors, on an annual basis, the adequacy of the Audit Committee charter.

C. The Audit Committee shall report to the Board of Directors periodically on the Audit Committee's activities.

IV. Outside Advisors

The Audit Committee shall have the authority to engage outside counsel and other outside advisors as it deems appropriate to assist the Audit Committee in the performance of its functions. The Corporation shall provide appropriate funding for such advisors as determined by the Audit Committee.

V. Membership

The Audit Committee shall consist of such number of directors, in no event to be less than three, as the Board of Directors may from time to time by resolution determine. The members of the Audit Committee shall meet the independence, experience and other membership requirements under applicable laws, rules and regulations, including stock exchange requirements, as determined by the Board of Directors.

VI. Audit Committee Chair

The Chair of the Audit Committee shall be appointed by the Board of Directors. The Chair of the Audit Committee leads the Audit Committee in all aspects of its work and is responsible to effectively manage the affairs of the Audit Committee and ensure that it is properly organized and functions efficiently. More specifically, the Chair of the Audit Committee shall:

A. Provide leadership to enable the Audit Committee to act effectively in carrying out its duties and responsibilities as described elsewhere in this charter and as otherwise may be appropriate;

B. In consultation with the Board Chair and the Chief Executive Officer, ensure that there is an effective relationship between management and the members of the Audit Committee;

C. Chair meetings of the Audit Committee;

D. In consultation with the Chief Executive Officer, the Corporate Secretary's Office and the Board Chair, determine the frequency, dates and locations of meetings of the Audit Committee;

E. In consultation with the Chief Executive Officer, the Chief Financial Officer, the Corporate Secretary's Office and, as required, other Officers, review the annual work plan and the meeting agendas to ensure all required business is brought before the Audit Committee to enable it to efficiently carry out its duties and responsibilities;

F. Ensure, in consultation with the Board Chair, that all items requiring the Audit Committee's approval are appropriately tabled;

G. Ensure the proper flow of information to the Audit Committee and review, with the Chief Executive Officer, the Chief Financial Officer, the Corporate Secretary's Office and, as required, other Officers, the adequacy and timing of materials in support of management's proposals;

H. Report to the Board of Directors on the matters reviewed by, and on any decisions or recommendations of, the Audit Committee at the next meeting of the Board of Directors following any meeting of the Audit Committee; and

I. Carry out any special assignments or any functions as requested by the Board of Directors.

VII. Term

The members of the Audit Committee shall be appointed or changed by resolution of the Board of Directors to hold office from the time of their appointment until the next annual general meeting of the shareholders or until their successors are so appointed.

VIII. Procedures for Meetings

The Audit Committee shall fix its own procedure at meetings and for the calling of meetings. The Audit Committee shall meet separately in executive session in the absence of management, internal audit and the shareholders' auditor, at each regularly scheduled meeting.

IX. Quorum and Voting

Unless otherwise determined from time to time by resolution of the Board of Directors, two members of the Audit Committee shall constitute a quorum for the transaction of business at a meeting. For any meeting(s) at which the Audit Committee Chair is absent, the Chair of the meeting shall be the person present who shall be decided upon by all members present. At a meeting, any question shall be decided by a majority of the votes cast by members of the Audit Committee, except where only two members are present, in which case any question shall be decided unanimously.

X. Secretary

Unless otherwise determined by resolution of the Board of Directors, the Corporate Secretary of the Corporation or the Corporate Secretary's delegate shall be the Secretary of the Audit Committee.

XI. Vacancies

Vacancies at any time occurring shall be filled by resolution of the Board of Directors.

XII. Records

The Audit Committee shall keep such records as it may deem necessary of its proceedings and shall report regularly its activities and recommendations to the Board of Directors as appropriate.

BCE.CA

Exhibit 99.2

MD&A

Management's discussion and analysis

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In this management's discussion and analysis (MD&A), *we*, *us*, *our*, *BCE* and *the company* mean, as the context may require, either BCE Inc. or, collectively, BCE Inc., Bell Canada, their subsidiaries, joint arrangements and associates. *Bell* means, as the context may require, either Bell Canada or, collectively, Bell Canada, its subsidiaries, joint arrangements and associates.

All amounts in this MD&A are in millions of Canadian dollars, except where noted. Please refer to section 11, *Non-GAAP financial measures, other financial measures and key performance indicators (KPIs)* for a list of defined non-GAAP financial measures, other financial measures and KPIs.

Please refer to BCE's audited consolidated financial statements for the year ended December 31, 2025 when reading this MD&A.

In preparing this MD&A, we have taken into account information available to us up to March 5, 2026, the date of this MD&A, unless otherwise stated.

You will find additional information relating to BCE, including BCE's audited consolidated financial statements for the year ended December 31, 2025, BCE's annual information form for the year ended December 31, 2025, dated March 5, 2026 (BCE 2025 AIF) and recent financial reports, on BCE's website at BCE.ca, on SEDAR+ at sedarplus.ca and on EDGAR at sec.gov.

Documents and other information contained in BCE's website or in any other site referred to in BCE's website or in this MD&A are not part of this MD&A and are not incorporated by reference herein.

This MD&A comments on our business operations, performance, financial position and other matters for the two years ended December 31, 2025 and 2024.

Caution regarding forward-looking statements

This MD&A and, in particular, but without limitation, section 1.3, *Key corporate developments*, section 1.4, *Capital allocation strategy*, section 1.6, *Capitals and our corporate responsibility*, section 2, *Strategic priorities*, section 3.2, *Business outlook and assumptions*, section 5, *Business segment analysis*, and section 6.7, *Liquidity*, contain forward-looking statements. These forward-looking statements include, without limitation, statements relating to: the proposed disposition of Northwestel Inc. (Northwestel) and the expected timing and completion thereof; the potential total number of combined Ziply Fiber-Network FiberCo fibre locations to be reached over the long term; BCE's capital allocation priorities; our objective to create long-term value for our shareholders with strong free cash flow generation and a sustainable dividend; BCE's common share dividend and dividend payout policy target; BCE's expected dividend payout ratio level in the medium term; our objective to maintain investment-grade credit ratings for Bell Canada's senior debt; BCE's net debt leverage ratio expected by the end of 2027 and net debt leverage policy target expected by 2030; the intended use of the net proceeds of Bell Canada's February 12, 2026 offering of junior subordinated debt securities; BCE's network deployment plans in Canada and the United States (U.S.) and the benefits expected to result therefrom; BCE's network reliability target; the launch of Unbreakable Internet in 2026; the successful development and implementation of artificial intelligence (AI) solutions, either by us or pursuant to certain partnerships entered into by BCE, as well as the responsible development and use of AI; our goal of $1.5 billion in cost savings by 2028 and the benefits expected to result therefrom; our projected financial performance; BCE's planned capital expenditures; BCE's expected post-employment benefit plans funding and the sources of liquidity we expect to use to meet our 2026 cash requirements; our sustainability objectives and the benefits expected to result therefrom, which include, without limitation, our objectives concerning customer satisfaction and service quality, privacy, information security vigilance, network reliability and energy intensity, our targeted reductions in the level of our greenhouse gas (GHG) emissions including, without limitation, our science-based targets and carbon abatement objectives, our objectives concerning reductions in waste to landfill, team member well-being and engagement, corporate governance and ethical business conduct leadership; BCE's business outlook, objectives, plans and strategic priorities, and other statements that do not refer to 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*, *commitment* 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 U.S. *Private Securities Litigation Reform Act of 1995*.

Unless otherwise indicated by us, forward-looking statements in this MD&A describe our expectations as at March 5, 2026 and, accordingly, are subject to change after that date. Except as may be required by applicable securities laws, we do not undertake any obligation to update or revise any forward-looking statements, 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 MD&A for the purpose of assisting investors and others in understanding our objectives, strategic priorities and business outlook as well as 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 MD&A, and, in particular, but without limitation, the forward-looking statements contained in the previously mentioned sections of this MD&A. These assumptions include, without limitation, the assumptions described in the various sub-sections of this MD&A entitled *Assumptions*, which sub-sections are incorporated by reference in this cautionary statement. Subject to various factors, we believe that our assumptions were reasonable as at March 5, 2026. 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 MD&A, include, but are not limited to: the negative effect of adverse economic conditions, including the continuation or escalation of trade wars, recessions, U.S. tariffs and the unpredictability of future trade arrangements, inflation, the value of the Canadian dollar, reductions in immigration levels, high housing support costs relative to income, and financial and capital market volatility, and the resulting negative impact on customer spending, the resulting demand for our products and services, our customers' financial condition, and the cost and amount of funding available in the capital markets; the negative effect of adverse conditions associated with geopolitical events, including financial and capital market volatility, broader geopolitical instability and armed conflicts, higher energy prices, inflationary pressures limiting consumer and business spending and increasing our operating costs, disruptions in our supply chains, and increased information security threats; the intensity of competitive activity in Canada and the U.S. and the failure to effectively respond to evolving competitive dynamics; the level of technological advancements 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 cloud-based, over-the-top (OTT) and other alternative solutions; advertising market pressures from economic conditions, fragmentation and non-traditional/global digital services; rising content costs and challenges in our ability to acquire or develop key content; high Canadian Internet and smartphone penetration; regulatory initiatives, proceedings and decisions, government consultations and government positions that negatively affect us and influence our business in Canada including, without limitation, concerning mandatory access to networks, spectrum auctions, the imposition of consumer-related codes of conduct, approval of acquisitions, broadcast and spectrum licensing, foreign ownership requirements, privacy and cybersecurity obligations, online streaming and digital services regulations, control of copyright piracy, and regulatory frameworks governing AI; the inability to implement enhanced compliance frameworks and to comply with legal and regulatory obligations, including the failure to monitor and comply with the U.S. legal and regulatory requirements to which Ziply Fiber is subject, which may reduce the amount of subsidies or revenues it receives,

increase its compliance burdens or constrain its ability to compete; unfavourable resolution of legal proceedings; the inability to protect our assets and data from events such as information security attacks, unauthorized access or entry, fire, natural disasters, extreme weather events linked to climate change, power loss, building cooling loss, acts of war or terrorism, geopolitical conflict, sabotage, vandalism, actions of neighbours and other events; the failure to implement effective security, data and responsible AI governance frameworks; the inability to drive a positive customer experience; the failure to evolve and transform our networks, systems and operations using next-generation technologies while lowering our cost structure, including the failure to meet customer expectations of product and service experience; the use of AI technologies in our business solutions and operations, and by our customers, business partners and third-party vendors; the risk that we may need to incur significant capital expenditures to provide additional capacity and reduce network congestion; service interruptions or outages due to network failures or slowdowns; the complexity of our operations and information technology (IT) systems and the failure to implement, maintain or manage highly effective processes and 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; the failure by other telecommunications carriers on which we rely to provide services, to complete planned and sufficient testing, maintenance, replacement or upgrade of their networks, equipment and other facilities, which could disrupt our operations including through network or other infrastructure failures; in-orbit and other operational risks to which the satellites used to provide our satellite television (TV) services are subject; the failure to successfully expand Ziply Fiber's fibre network; the inability of Ziply Fiber's current and future initiatives or programs to generate the level of returns, or to occur on the timeline, we anticipate; there can be no assurance that the potential benefits expected to result from the formation of Network FiberCo will be realized; the failure to successfully integrate Ziply Fiber as a subsidiary of BCE, and to generate the anticipated benefits from the acquisition of Ziply Fiber; 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 our dividend payout policy will be maintained or achieved, or that the dividend on common shares will be maintained or dividends on any of BCE's outstanding shares will be declared by BCE's board of directors (BCE Board); the failure to reduce costs and adequately assess investment priorities, as well as unexpected increases in costs; the inability to manage various credit, liquidity and market risks; the failure to accurately anticipate fluctuations in the exchange rate between the Canadian dollar and U.S. dollar and our inability to successfully implement currency hedging strategies; the failure to evolve practices to effectively monitor and control fraudulent activities; new or higher taxes due to new tax laws, treaties, regulations or rules thereunder in Canada, the U.S. or other relevant jurisdictions, or changes thereto, or changes in their interpretation or enforcement by tax authorities, and the inability to predict the outcome of government audits; the impact on our financial statements and estimates from a number of factors; pension obligation volatility and increased contributions to post-employment benefit plans; the expected timing and completion of the proposed disposition of Northwestel are subject to closing conditions, termination rights and other risks and uncertainties, including, without limitation, the purchaser securing financing, which may affect its completion, terms or timing and, as such, there can be no assurance that the proposed disposition will occur, or that it will occur on the terms and conditions, or at the time, currently contemplated, or that the potential benefits expected to result from the proposed disposition will be realized; the failure to attract, develop and retain a talented team capable of furthering our business strategy and operational transformation; the potential deterioration in employee morale and engagement resulting from staff reductions, cost reductions or reorganizations, and the de-prioritization of transformation initiatives due to staff reductions, cost reductions or reorganizations; the failure to adequately manage health and safety concerns; labour disruptions and shortages; reputational risks and the inability to meaningfully integrate sustainability considerations into our business strategy, operations and governance; the adverse impact of various internal and external factors on our ability to achieve our sustainability targets including, without limitation, those related to GHG reduction and supplier engagement; the failure to take appropriate actions to adapt to current and emerging environmental impacts, including climate change; the failure to develop and implement sufficient corporate governance practices; the inability to adequately manage social issues; health risks, including pandemics, epidemics and other health concerns, such as radio frequency emissions from wireless communications devices and equipment; our dependence on third-party suppliers, outsourcers and consultants to provide an uninterrupted supply of the products and services we need and comply with various obligations; the failure of our vendor selection, governance and oversight processes, including our management of supplier risk in the areas of security, data and AI governance, privacy 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.

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 MD&A and, in particular, in section 9, *Business risks*, of this MD&A.

Forward-looking statements contained in this MD&A for periods beyond 2026 involve longer-term assumptions and estimates than forward-looking statements for 2026 and are consequently subject to greater uncertainty. Forward-looking statements for periods beyond 2026 further assume, unless otherwise indicated, that the risks described above and in section 9, *Business risks*, of this MD&A will remain substantially unchanged during such periods.

We caution readers that the risk factors described above and in the previously mentioned section and in other sections of this MD&A 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. We regularly consider potential acquisitions, dispositions, mergers, business combinations, investments, monetizations, joint arrangements and other transactions, some of which may be significant. Except as otherwise indicated by us, 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 5, 2026. The financial impact of these transactions and special items can be complex and depends on 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.

1 Overview

1.1 Introduction

At a glance

BCE is Canada's largest communications company,(1) leading the way in advanced fibre and wireless networks, enterprise services and digital media. BCE delivers next-generation technology that leverages cloud-based and AI-driven solutions. BCE provides 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).

On August 1, 2025, BCE acquired Ziply Fiber, the leading fibre Internet provider in the Pacific Northwest of the U.S. providing wireline, Internet and TV services to residential, business and wholesale customers in this region. The results from the acquired Ziply Fiber operations are included in a new segment, Bell Communication and Technology Services (Bell CTS) U.S., from the date of acquisition.

Our results are subsequently reported in three segments: Bell CTS Canada, Bell CTS U.S. and Bell Media. Our segments reflect how we manage our business and how we classify our operations for planning and measuring performance.

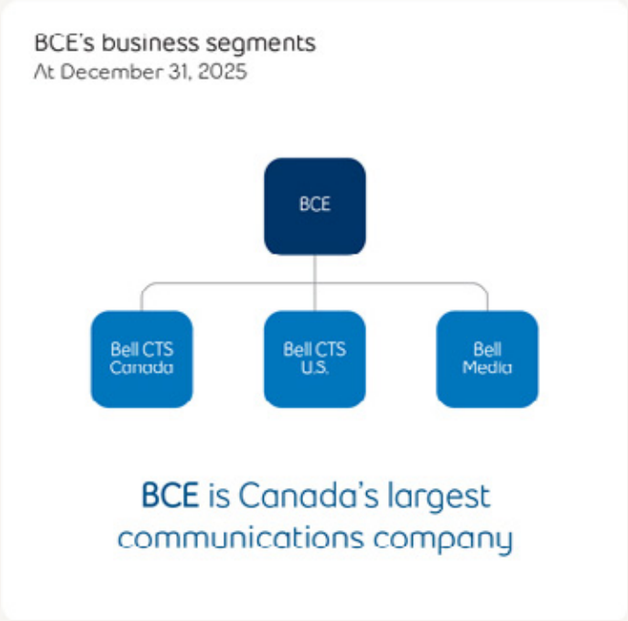
Bell CTS Canada provides a wide range of communication products and services to consumer, business and government customers across Canada. Wireless products and services include mobile data and voice plans, streaming services, and devices and are available nationally. Wireline products and services comprise data (including Internet access, Internet protocol television (IPTV), cloud-based services, AI-driven solutions and business solutions), voice, streaming services, and other communication services and products, which are available to our residential, small and medium-sized business and large enterprise customers primarily in Ontario, Québec, the Atlantic provinces and Manitoba, while satellite TV service and connectivity to business customers are available nationally across Canada. In addition, this segment includes our wholesale business, which buys and sells local telephone, long distance, data and other services from or to resellers and other carriers, as well as, in 2024, the results of operations of our national consumer electronics retailer, The Source (Bell) Electronics Inc. (The Source). In 2024, Bell wound down The Source head office and back office operations, as well as closed 107 The Source stores.

Bell CTS U.S., comprised of Ziply Fiber, provides wireline communication products and services over a combined fibre-based and copper-based network, to residential, business and wholesale customers in the Pacific Northwest of the U.S. Wireline products and services consist of data (including broadband Internet with varying speeds and value-added features, commercial ethernet, dedicated Internet-non-switched access and other data transport networking options) and voice (traditional and voice over Internet protocol (VoIP) voice services, including local, long distance, and unified communications as a service (UCaaS) and Video (IPTV)).

Bell Media holds a portfolio of assets providing premium video, audio, out-of-home (OOH) advertising, and digital media services to customers nationally across Canada.

We also hold investments in a number of other assets, including:

- a 50% indirect equity interest in Glentel Inc. (Glentel)
- a 20.2% indirect equity interest in entities that operate the Montréal Canadiens Hockey Club, evenko and the Bell Centre in Montréal, Québec, as well as Place Bell in Laval, Québec



(1) Based on total revenue and total combined customer connections.

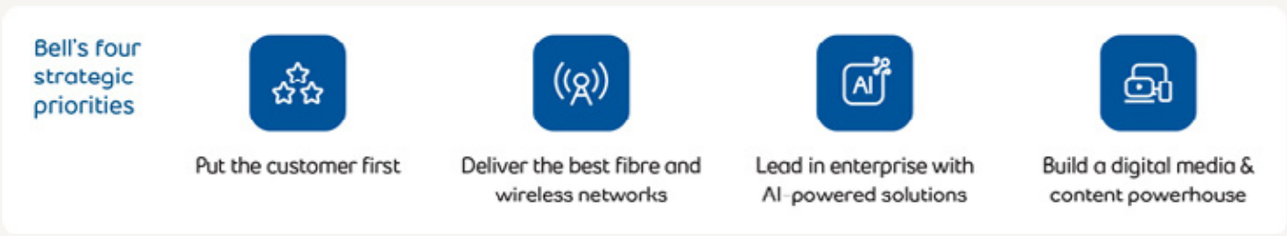
Our purpose

BCE's purpose is to advance how people connect with each other and the world. Our brand platform, *Connection is everything*, underscores our fundamental role in facilitating connections – enabling individuals and businesses to forge meaningful relationships, opportunities and experiences with each other, their communities and the wider world.

As Canada's largest communications company, we strive to create exceptional experiences and positive, lasting impacts for the customers, businesses and communities we serve. Reliable, high-performance connectivity and digital solutions are foundational to modern life, supporting economic growth, social inclusion and innovation across the country. By continuing to invest in world-class fibre and wireless networks and by deploying cloud-based, AI-enabled technologies, we aim to help individuals, businesses and public institutions thrive in an increasingly digital and data-driven world.

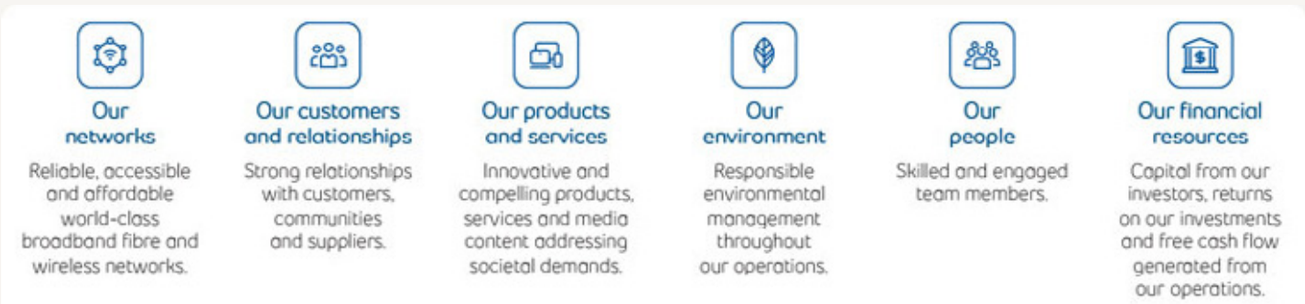
Our primary business objectives are to grow our subscriber base profitably and to maximize revenues, operating profit, free cash flow and return on invested capital. We pursue these objectives by strengthening our position as the leading provider in Canada of comprehensive communications services to residential, business and wholesale customers; as a leading fibre Internet provider in the Pacific Northwest of the U.S. through Ziply Fiber; and as Canada's leading media and entertainment company. Across our operations, we seek to leverage our scale, networks, infrastructure, distribution channels, brand and marketing capabilities to create value for customers, shareholders and other stakeholders.

Our strategy is guided by four interconnected priorities that bring our purpose to life while strengthening customer experience, improving operational efficiency and supporting long-term value creation. These priorities are underpinned by our unique and differentiated assets across fibre, wireless, enterprise and media, and are focused on driving sustainable growth through network leadership, digital transformation and customer-focused innovation. Execution of our strategy is supported by a disciplined capital allocation approach tailored to a reshaped operating environment, reinforcing our objective to driving total shareholder return.



Our alignment to the International Integrated Reporting Framework

Following the principles of the International Integrated Reporting Framework (<IR> Framework), now part of the IFRS® Foundation, Bell released, concurrently with this MD&A, an Integrated Annual Report which contains a strategic overview outlining our sustainable value creation process. This strategic overview discloses how we seek to generate sustainable value for our stakeholders as the result of our business operations, guided by our strategic priorities and use of capitals. Our capitals are outlined below and serve as inputs that are transformed through our business strategy and strategic priorities resulting in outcomes that seek to create value for our stakeholders over time.



To increase the connectivity of information, we have incorporated the icons representing our six capitals described above throughout this MD&A to highlight the respective linkage between our capitals and the topics discussed.

BCE 2025 consolidated results

Operating revenues
$24,468 million
+0.2% vs. 2024

Net earnings
$6,514 million
vs. $375 million in 2024

Adjusted EBITDA (1)
$10,658 million
+0.7% vs. 2024

Net earnings attributable to common shareholders
$6,305 million
vs. $163 million in 2024

Adjusted net earnings (1)
$2,601 million
(6.2%) vs. 2024

Cash flows from operating activities
$6,993 million
+0.1% vs. 2024

Free cash flow (1)
$3,178 million
+10.0% vs. 2024

BCE customer connections

Total mobile phones (3) (6) (7)
+1.6%
10.5 million subscribers at the end of 2025

Bell CTS retail high-speed Internet (2) (4) (5) (7)
+8.9%
4.9 million subscribers at the end of 2025

Bell CTS retail IPTV (4) (5) (8)
(2.2%)
2.1 million subscribers at the end of 2025

Bell CTS retail residential network access services (NAS) lines (2) (4) (5)
(6.1%)
1.7 million subscribers at the end of 2025

(1) Adjusted EBITDA is a total of segments measure, and adjusted net earnings and free cash flow are non-GAAP financial measures. See section 11.3, *Total of segments measures* and section 11.1, *Non-GAAP financial measures* in this MD&A for more information on these measures.

(2) In Q4 2025, after a comprehensive review of Ziply Fiber subscriber accounts following our acquisition on August 1, 2025, we reduced our retail high-speed Internet and retail residential NAS subscriber bases, by 13,029 and 1,106 customers, respectively, to align with Bell methodology for customer deactivations.

(3) In Q3 2025, Bell CTS Canada reduced its postpaid mobile phone and connected device subscriber bases by 51,541 and 7,867, respectively, following a review of a public sector customer account to eliminate subscribers with no usage.

(4) In Q3 2025, as a result of the acquisition of Ziply Fiber on August 1, 2025, Bell CTS U.S. retail high-speed Internet, retail IPTV and retail residential NAS lines subscriber bases increased by 442,225, 6,089 and 84,440 subscribers, respectively.

(5) In Q1 2025, we reduced our retail high-speed Internet, retail IPTV and retail residential NAS lines subscriber bases by 80,666, 441 and 14,150 subscribers, respectively, in Bell CTS Canada, as at March 31, 2025, as we stopped selling new plans for these services under the Distributel, Acanac, Oricom and B2B2C brands. Additionally, at the beginning of Q1 2025, we reduced our retail high-speed Internet subscriber base by 2,783 subscribers in Bell CTS Canada to adjust for prior year customer deactivations following a review of customer accounts.

(6) In Q4 2024, we removed 124,216 Bell prepaid mobile phone subscribers from our prepaid mobile phone subscriber base in Bell CTS Canada as at December 31, 2024, as we stopped selling new plans for this service as of that date.

(7) In Q3 2024, we removed 77,971 Virgin Plus prepaid mobile phone subscribers from our prepaid mobile phone subscriber base in Bell CTS Canada as at September 30, 2024, as we stopped selling new plans for this service as of that date. Additionally, as a result of a recent Canadian Radio-television and Telecommunications Commission (CRTC) decision on wholesale high-speed Internet access services, we are no longer able to resell cable Internet services to new customers in our wireline footprint as of September 12, 2024, and consequently, in Bell CTS Canada, we removed all of the existing 106,259 cable subscribers in our wireline footprint from our retail high-speed Internet subscriber base as of that date.

(8) In Q2 2024, we increased our retail IPTV subscriber base by 40,997 in Bell CTS Canada to align the deactivation policy for our Fibe TV streaming services to our traditional Fibe TV service.

1.2 About BCE

On August 1, 2025, BCE completed its acquisition of Ziply Fiber, the leading fibre Internet provider in the Pacific Northwest of the U.S. The results of the acquired Ziply Fiber operations are included, from the date of acquisition, in a new operating segment, Bell CTS U.S. The results of BCE's Canadian wireless and wireline operations are reported under Bell CTS Canada.

BCE reports its 2025 results in three operating segments: Bell CTS Canada, Bell CTS U.S. and Bell Media. In this section, we describe the principal products and services offered by each segment to provide additional insight into our business and operations.

Our products and services

Our networks | Our products and services

Bell CTS Canada

Segment description

- Provides a wide range of communication products and services to consumer, business and government customers across Canada
- Wireless products and services include mobile data and voice plans, streaming services, and devices and are available nationally
- Wireline products and services comprise data (including Internet access, IPTV, cloud-based services, AI-powered solutions and business solutions), streaming services, voice, and other communication services and products, which are available to our residential, small and medium-sized business and large enterprise customers primarily in Ontario, Québec, the Atlantic provinces and Manitoba, while satellite TV service and connectivity to business customers are available nationally across Canada
- Enterprise solutions are delivered across four pillars: core communications services; AI automation, managed service and service integration through Ateko; cybersecurity through Bell Cyber; and full-stack AI solutions through Bell AI Fabric
- Includes our wholesale business, which buys and sells local telephone, long distance, data and other services from or to resellers and other carriers, and the wireline operations of Northwestel, which provides telecommunications services in Canada's Northern Territories (1)

Our brands include

Bell, Bell Aliant, Bell MTS, Fibe, Virgin plus, lucky mobile, ateko, Bell Cyber, Bell AI Fabric

Our networks and reach

We hold wireless spectrum licences across multiple spectrum bands and regions throughout Canada, totalling more than 8.6 billion megahertz per population (MHz-Pop), corresponding to an average of approximately 234 megahertz (MHz) of spectrum per Canadian.

The vast majority of our wireless cell sites are connected by fibre-based backhaul, supporting higher capacity, faster speeds and improved network reliability. In addition, we continue to enhance in-building wireless coverage to strengthen LTE and Fifth Generation (5G) service performance.

We operate a nationwide Fourth Generation (4G) Long-Term Evolution (LTE) wireless broadband network compatible with global standards, delivering high-quality and reliable voice and high-speed data services to virtually all Canadians. We also operate 5G and 5G+ wireless networks, which offer faster speeds and lower latency, and continue to expand their coverage across Canada.

- Overall LTE coverage of more than 99% of Canada's population, with LTE Advanced (LTE-A) covering 96% of the population, 5G covering 89% of the population and 5G+ covering 65% of the population at December 31, 2025
- Peak theoretical mobile data access download speeds: 5G+, up to 3.64 gigabit(s) per second (Gbps) in select markets; 5G, up to 1.7 Gbps (average expected speeds of 89 to 705 megabits per second (Mbps)) in markets across Canada; LTE-A, up to 1.5 Gbps (average expected speeds of 25 to 325 Mbps) in markets across Canada; LTE, up to 150 Mbps (expected average speeds of 18 to 40 Mbps); high-speed packet access plus (HSPA+), up to 42 Mbps (expected average speeds of 7 to 14 Mbps) (2)
- Reverts to LTE/LTE-A technology and speeds when customers are outside 5G and 5G+ coverage areas
- Bell also operates a LTE-category M1 (LTE-M) network, which is a subset of our LTE network, supporting low-power Internet of Things (IoT) applications with enhanced coverage, longer device battery life and enabling lower costs for IoT devices connecting to Bell's national network. Our LTE-M network is available in most Canadian provinces.
- Extensive local access network in Ontario, Québec, the Atlantic provinces and Manitoba, as well as in Canada's Northern Territories

(1) In June 2024, Bell Canada entered into an agreement for the disposition of Northwestel to Sixty North Unity, a consortium of Indigenous communities from the Yukon, the Northwest Territories and Nunavut, for up to $1 billion, subject to adjustments. We previously expected this transaction to close in 2025 and we continue to work with Sixty North Unity to close the transaction in 2026. The transaction remains subject to certain closing conditions, including securing financing by Sixty North Unity and, as such, there can be no assurance that the transaction will ultimately be consummated. The results of Northwestel are included in our Bell CTS Canada segment.

(2) Network speeds vary with location, signal and customer device. Compatible device required.

- Fibre-to-the-premise (FTTP) footprint covering approximately 8 million homes and businesses in Ontario, Québec, the Atlantic provinces and Manitoba
- Wireless-to-the-premise (WTTP) footprint covering approximately 1 million locations primarily in rural areas. WTTP is 5G-capable fixed wireless technology delivered over Bell's LTE wireless network that provides broadband residential Internet access to smaller and underserved communities.
- Largest Internet protocol (IP) multi-protocol label switching footprint of any Canadian provider, enabling us to offer business customers a virtual private network (VPN) service for IP traffic and to optimize bandwidth for real-time voice and TV

We have more than 7,000 retail points of distribution across Canada, including over 1,000 Bell, Virgin Plus, Lucky Mobile, Best Buy Express and Staples locations, as well as Glentel-operated locations (WIRELESSWAVE, Tbooth wireless and The Mobile Shop) and other third-party dealer and retail locations.

Our wireless products and services

- **Data and voice plans:** From plans focused on affordability to premium services, we have plans that cater to all customer segments, available on either postpaid or prepaid options, including unlimited data, shareable, device financing plans and Connect Everything plans. Our services provide fast Internet access for video, social networking, messaging and mobile applications, as well as a host of call features.
- **Specialized plans:** for tablets, smartwatches, Connected Car, mobile Internet, trackers, laptops and security cameras
- **Extensive selection of devices:** the latest 5G and 5G+ smartphones, tablets, smartwatches, mobile Internet devices and connected things (Bell Connected Car, trackers, connected home and lifestyle)
- **Travel:** international roaming in over 230 destinations, with LTE roaming in 216 destinations and 5G roaming in 135 destinations
- **Mobile business solutions:** push-to-talk, field service management, worker safety and mobility management
- **IoT solutions:** fleet management, asset management, building and site management, municipal operations, integrated smart city ecosystem with Esri
- **Bundles:** multi-product bundles of Internet, TV, streaming, home phone and mobility with monthly discounts

Our wireline products and services

Residential

- **Internet:** High-speed Internet access delivered through fibre-optic broadband technology, 5G-capable WTTP technology or digital subscriber line (DSL), with a range of service options including Wi-Fi, unlimited usage and security features. Bell's Internet service, marketed as Fibe Internet, offers symmetrical download and upload speeds of up to 8 Gbps using FTTP technology, and download speeds of up to 100 Mbps using fibre-to-the-node (FTTN). Bell also offers Wireless Home Internet (WHI), a fixed wireless service that delivers broadband download speeds of up to 50 Mbps in areas where fibre-based services are not available.
- **TV:** IPTV service marketed as **Fibe TV**, as well as nationwide satellite TV service. Bell's hardware-free, app-based Fibe TV service provides access to a broad selection of live and on-demand content, including content available in 4K resolution ultra-high-definition on compatible devices, without the need for traditional set-top boxes (STBs). Key features include cloud personal video recorder (PVR), restart and transactional video-on-demand (TVOD) functionality. The Fibe TV app is available on compatible Smart TVs and streaming devices, including Samsung, LG and Roku Smart TVs, as well as Amazon Fire TV, Google Chromecast, Roku Streaming Stick and Apple TV.
- **Streaming:** Bell Streaming bundles access to premium streaming services, including Crave, Netflix and Disney+, and provides customers with monthly bundle discounts, simplified billing and the flexibility to manage and modify streaming subscriptions through Bell
- **Home Phone:** local telephone service, long distance and a range of advanced calling features

Business

- **Internet and network solutions:** Business Internet and advanced network solutions delivered through Bell's end-to-end network, cloud and security capabilities. Offerings include business Internet access, Bell Managed Satellite Connect, Bell Managed SD-WAN, private networks, global network connectivity, managed services and professional services.
- **Voice and Collaboration:** A range of voice and collaboration solutions, including UCaaS, traditional local and long distance voice services, cloud-based voice over VoIP services, and advanced calling solutions with customizable features
- **Cloud:** Cloud and workflow solutions delivered through Ateko, Bell's technology services brand, which operates as both a systems integrator and managed services provider. Cloud offerings also include public multi-access edge computing (MEC) services with Amazon Web Services (AWS) Wavelength, cloud connectivity solutions, and backup and disaster recovery services.
- **Cybersecurity:** End-to-end cybersecurity solutions delivered through Bell Cyber, including Security-as-a-Service (SECaaS), real-time threat detection, and advanced Security Operations Centre (SOC) capabilities
- **Contact centre:** Cloud-based contact centre solutions incorporating AI-powered features and advanced analytics to support customer engagement and operational efficiency
- **AI Fabric:** Full-stack sovereign AI solutions, including purpose-built data centre infrastructure and access to an ecosystem of partners and solutions featuring advanced large language models (LLMs), high-performance graphics processing units (GPUs) and AI inferencing capabilities

Bell CTS U.S.

Segment description

- On August 1, 2025, BCE completed its acquisition of Ziply Fiber, the leading fibre Internet provider in the Pacific Northwest of the U.S. The results of the acquired Ziply Fiber operations are included, from the date of acquisition, in a new operating segment, Bell CTS U.S.
- Ziply Fiber provides wireline communication products and services to residential, business and wholesale customers in the Pacific Northwest of the U.S.
- Wireline products and services primarily consist of data services, including broadband Internet access with a range of speed tiers and value-added features, commercial Ethernet, dedicated Internet access and other data transport solutions, as well as voice services delivered over IP-based networks

Our brand

Our networks and reach

- FTTP network infrastructure serving approximately 1.4 million fibre passings across Washington, Oregon, Idaho and Montana
- Purpose-built, IP-based fibre network architecture designed for scalability, redundancy, high reliability and long-term expansion
- Fibre network infrastructure supporting residential, business and wholesale connectivity, including interconnection with other service providers and enterprise customers
- Through Network FiberCo, (1) BCE has access to additional U.S. fibre routes and expansion opportunities, enabling accelerated fibre deployment beyond Ziply Fiber's existing footprint

Our wireline products and services

Residential

- **Internet:** High-speed FTTP Internet services delivering symmetrical download and upload speeds across a range of speed tiers, including multi-gigabit offerings of up to 50 Gbps
- **Voice:** Fibre-based voice services offering local and long distance calling and a range of calling features, delivered over IP-based networks

Business

- **Connectivity solutions:** Fibre-based connectivity solutions for enterprise and wholesale customers, including Internet access, Ethernet, wavelength, private line and IP transit services, as well as IP-based voice services and fibre connectivity to third-party data centres

Bell Media

Segment description

- Canada's leading media and entertainment company with a portfolio of assets in premium video, audio and OOH advertising, and digital media, monetized through traditional and digital platforms
- Revenues are derived primarily from advertising and subscriber fees
  - Conventional TV, radio, and OOH revenues are derived from advertising
  - Distribution of our TV and video products through partners result in revenue derived from subscription fees and advertising
  - Direct-to-consumer (DTC) streaming services revenue is derived from subscription fees and advertising

Our brands include

Our assets and reach

Video

- 35 conventional TV stations, including **CTV**, Canada's #1 conventional network for 24 consecutive years in primetime A25-54, together with its digital platforms CTV.ca, Canada's leading advertising-based video on demand (AVOD) platform, and CTVNews.ca, one of the country's leading digital news destinations. Bell Media also operates the French-language **Noovo** network in Québec, including its popular AVOD platform and digital news destination, Noovo.info
- 24 specialty TV channels, including **TSN**, one of Canada's sports leaders and **RDS**, the top French-language sports network
- 5 DTC streaming services, including **Crave**, the exclusive home of HBO and Max Originals in Canada, STARZ, **TSN**, **TSN+**, and **RDS**
- 13 English and French-language free, ad-supported streaming television (FAST) channels, featuring a selection of acclaimed and fan-favourite entertainment, factual, news, and sports programming. All 13 channels are available on LG Channels, Samsung TV Plus, Plex, and The Roku Channel

(1) Network FiberCo is a long-term strategic partnership between BCE and Public Sector Pension Investment Board (PSP Investments), one of Canada's largest pension investors, established to accelerate the development of fibre infrastructure through Ziply Fiber in underserved markets in the U.S.

Audio

- Bell Media owns the iHeartRadio Canada brand, with a wide range of content including more than 360 licensed Canadian radio stations across 170 markets, hundreds of thousands of podcasts, playlists, and on demand content. In September 2025, Bell Media and iHeartMedia announced a long-term extension of their exclusive partnership, also providing Bell Media with Canadian representation of iHeartRadio's extensive podcast portfolio.
- Bell Media also provides access to local radio programming and additional content live and on-demand via the iHeartRadio website and app. iHeartRadio Canada is advancing the digital transformation of Bell Media's local radio stations, offering Canadian and international programming, curated playlists, and exclusive digital streaming channels. The iHeartRadio Canada app, which debuted a slate of new features in September 2025, includes custom push notifications, in-app messaging, presets, a live radio dial, lyrics, and real-time listener interaction through its 'talkback' service.

OOH advertising

- Astral Media Inc. (Astral), among Canada's leading OOH advertising companies, includes a network of strategically located advertising faces spanning across the country in 50 markets
- Astral offers five product lines: outdoor advertising, street furniture, airport, large digital format and transit
- In 2024, Bell Media completed its acquisition of OUTFRONT Media Inc.'s Canadian OOH media business, OUTEDGE Media Canada (OUTEDGE)

Broadcast rights

- **Sports:** long-term media rights to key sports properties and official Canadian broadcaster of the Super Bowl, Grey Cup and International Ice Hockey Federation (IIHF) World Junior Championship. Live sports coverage includes the Montréal Canadiens, Winnipeg Jets, Ottawa Senators, and Toronto Maple Leafs, and Canadian Football League (CFL), National Football League (NFL), National Basketball Association (NBA), Professional Women's Hockey League (PWHL), Major League Soccer (MLS), Fédération Internationale de Football Association (FIFA) World Cup events, Curling's Season of Champions, Golf's Majors, NASCAR, Formula 1 (F1), Grand Slam Tennis, National Collegiate Athletic Association (NCAA) March Madness, Northern Super League (NSL), FIBA Basketball, and more.
- **Warner Bros. Discovery:** Crave extended a long-term licensing agreement with Warner Bros. Discovery that sees Crave continuing to be the home of HBO and Max Originals, as well as new cable series, library TV series, and pay and post-pay window rights for Warner Bros. films. The agreement also feeds CTV, and Bell Media's suite of Specialty channels with Warner Bros. Discovery's iconic content.
- **NBCUniversal Global TV Distribution**: A licensing agreement with USA Network and Oxygen True Crime in Canada
- **STARZ:** long-term agreement with Lionsgate for premium STARZ programming in Canada
- **iHeartRadio:** exclusive partnership for digital and streaming music services in Canada

Other assets

- Montréal's Octane Racing Group Inc., promoter of the F1 Canadian Grand Prix, the largest annual sports and tourism event in the country
- Majority interest in Sphere Abacus, a global content distribution company that serves as the primary international distributor of Bell Media's owned rights
- Equity interest in Dome Productions Partnership, one of North America's leading providers of sports and other event production and broadcast facilities
- Minority interest in Montréal's Grandé Studios, a Montréal-based multipurpose TV, film and equipment company which provides production facilities, equipment rentals, and technical services

Our products and services

- Varied and extensive array of video content to broadcast distributors across Canada
- **Advertising** on our video, audio, digital and OOH properties to both local and national advertisers across a wide range of industry sectors
- **Strategic partnerships** to advance advertising opportunities for clients, such as becoming the exclusive Canadian sales partner for Tubi; expanding its Outcomes Measurement offering through a partnership with Loblaw Advance; shoppable experiences with Shopsense AI; integrating tools from the Bell Marketing Platform (BMP) into The Trade Desk's Kokai platform
- **Bell Ads for Business**, an advertising platform that allows local businesses across Canada to utilize Bell's premium Canadian data and target intended audiences
- **Crave** is the largest Canadian-owned streamer delivering an unparalleled content offering with HBO and Max Originals, STARZ, Hollywood-hit movies, and more. It also boasts an ever-growing and globally renowned slate of English and French original series. Crave is offered through a number of Canadian TV providers and is available directly to all Canadian Internet subscribers as an OTT service.
- **TSN**, **TSN+**, and **RDS** streaming services offering live and on-demand TSN and RDS content directly to consumers through an annual or monthly subscription on computers, tablets, mobile devices, Apple TV and other streaming devices, which can also be bundled with Crave

Other BCE investments

BCE also holds investments in a number of other assets, including:

- a 50% indirect equity interest in Glentel, a Canadian-based connected services retailer
- a 20.2% indirect equity interest in entities that operate the Montréal Canadiens Hockey Club, evenko (a promoter and producer of cultural and sports events) and the Bell Centre in Montréal, Québec, as well as Place Bell in Laval, Québec

Our people

Our people

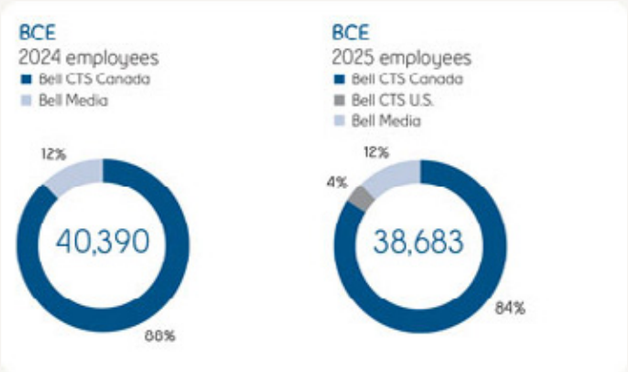
Employees

At the end of 2025, our team consisted of 38,683 employees, a decrease of 1,707 employees, compared to 40,390 employees at the end of 2024, driven by workforce reductions, natural attrition and retirements, partly offset by an increase in our employee base as a result of the acquisition of Ziply Fiber on August 1, 2025 and other small acquisitions made in the year.

Approximately 39% of total BCE employees were represented by labour unions at December 31, 2025.

Bell Code of Business Conduct

The ethical business conduct of our people is core to the integrity with which we operate our business. The Bell Code of Business Conduct sets out specific expectations and accountabilities, providing employees with practical guidelines to conduct business in an ethical manner. The Bell Code of Business Conduct applies to employees and directors, setting expectations for responsible behaviour and requiring annual training and attestations.



1.3 Key corporate developments

Our networks | Our customers and relationships | Our products and services | Our people | Our financial resources

This section contains forward-looking statements, including statements relating to the potential total number of combined Ziply Fiber-Network FiberCo fibre locations to be reached over the long term. Refer to the section *Caution regarding forward-looking statements* at the beginning of this MD&A.

Completion of Ziply Fiber acquisition

On August 1, 2025, BCE completed its previously announced acquisition of Ziply Fiber, the leading fibre Internet provider in the Pacific Northwest of the U.S., for cash consideration of $3.64 billion in U.S. dollars ($5.01 billion in Canadian dollars), and the assumption of outstanding net debt [(1)] of approximately $1.9 billion in U.S. dollars ($2.6 billion in Canadian dollars) at closing. To accelerate expansion into the U.S. market, BCE and PSP Investments announced on May 8, 2025 the formation of Network FiberCo, a long-term strategic partnership to accelerate the development of fibre infrastructure through Ziply Fiber, in underserved markets in the U.S. Combined with the completion of the Ziply Fiber acquisition, this long-term strategic partnership will enable Bell to potentially reach up to 8 million fibre locations in the U.S., reinforcing its position as the third-largest fibre Internet provider in North America. The results of Ziply Fiber are included in our Bell CTS U.S. segment.

Disposition of minority stake in MLSE

On July 1, 2025, BCE completed the previously announced sale of its 37.5% ownership stake in Maple Leaf Sports and Entertainment Ltd. (MLSE) for $4.7 billion to Rogers Communications Inc. (Rogers). BCE directed the net proceeds of this disposition towards its acquisition of Ziply Fiber. As part of the MLSE transaction, Bell Media has secured access to content rights for the Toronto Maple Leafs and Toronto Raptors on TSN through the 2043/2044 season via a long-term agreement with Rogers.

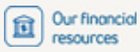
BCE executive team update

On May 20, 2025, Mark McDonald was promoted to the role of Executive Vice-President (EVP) and Chief Technology Officer. In his new role, Mark is responsible for Bell's network strategy and infrastructure, as well as maximizing the potential of key technologies like 5G and fibre.

Also on May 20, 2025, Hadeer Hassaan assumed an expanded role as EVP and Chief Information and Customer Experience Officer. In this role, Hadeer ensures Bell's customer-first approach is supported by the right data and information, leveraging technology to create a seamless and positive experience for Bell's customers. She also leads Bell's cloud services strategy.

(1) Net debt is a non-GAAP financial measure. See section 11.1, *Non-GAAP financial measures* in this MD&A for more information on this measure.

1.4 Capital allocation strategy



This section contains forward-looking statements, including statements relating to BCE's capital allocation priorities; our objective to create long-term value for its shareholders with strong free cash flow generation and a sustainable dividend; BCE's common share dividend and dividend payout policy target; BCE's expected dividend payout ratio level in the medium term; our objective to maintain investment-grade credit ratings for Bell Canada's senior debt; BCE's net debt leverage ratio expected by the end of 2027 and net debt leverage policy target expected by 2030; the intended use of the net proceeds of Bell Canada's February 12, 2026 offering of junior subordinated debt securities; and our business outlook, objectives, plans and strategic priorities. Refer to the section *Caution regarding forward-looking statements* at the beginning of this MD&A.

Our capital allocation priorities are focused on strengthening the balance sheet, funding our strategic priorities and returning capital to shareholders in a disciplined manner. We are executing against a clear framework designed for our current operating environment, with an emphasis on deleveraging, optimizing our cost of capital and maintaining financial flexibility. At the same time, we continue to invest in initiatives that support long-term growth, including AI-powered enterprise solutions, digital media and fibre expansion in the U.S. Our approach to capital allocation is underpinned by strong free cash flow generation and a sustainable dividend, and is focused on creating long-term value for shareholders.

Dividend and dividend payout policy

BCE has a long-standing objective of returning capital to shareholders through a sustainable common share dividend. Our dividend payout policy is an integral component of our capital allocation framework and is designed to balance shareholder returns with the funding requirements of our strategic priorities and the maintenance of a strong balance sheet.

In May 2025, following a comprehensive review of the macroeconomic, regulatory and competitive environments of BCE, the BCE Board established the annualized dividend at $1.75 per BCE common share effective starting from the July 15, 2025 dividend payment date. At the same time, BCE's common share dividend payout policy was updated to target a dividend payout range of 40% to 55% of free cash flow. This revised policy reflects the BCE Board's focus on enhancing financial flexibility, supporting accelerated deleveraging and optimizing BCE's cost of capital in the current operating and capital market environment, while maintaining a meaningful and sustainable dividend for shareholders.

The dividend payout policy is designed to remain consistent in the long term. As a result, dividends are not automatically reduced in a year when free cash flow is lower or increased in a year when free cash flow is higher.

On February 5, 2026, the BCE Board declared a quarterly dividend of $0.4375 per common share, payable on April 15, 2026 to shareholders of record at the close of business on March 16, 2026.

For the year ended December 31, 2025, BCE's dividend payout ratio [(1)] was approximately 64% of free cash flow, which is above the target policy range, reflecting the transitional nature of the year following the mid-year reset of the dividend level. The dividend payout ratio is expected to trend toward the target policy range over the medium term, supported by continued free cash flow generation, disciplined capital investment and our ongoing focus on balance sheet optimization.

As announced in May 2025, BCE committed to providing, on an annual basis, the implied dividend payout ratio calculated on the basis of free cash flow after payment of lease liabilities, in addition to the dividend payout ratio assessed against our policy framework. This financial measure is provided to enhance transparency for investors regarding cash available for dividend payments after lease repayments and does not form part of BCE's dividend payout policy, which continues to be assessed against free cash flow.

For the year ended December 31, 2025, the implied dividend payout ratio based on free cash flow after payment of lease liabilities [(1)] was approximately 99%, reflecting the transitional nature of the year following the mid-year reset of the dividend level.

The dividend payout policy is intended to provide a long-term framework for BCE's approach to allocating cash generated by the business, is not intended to restrict the discretion of the BCE Board in declaring dividends and does not bind BCE in declaring any set amount of dividend. BCE's dividend policy, setting the common share dividend rate and the declaration of dividends are subject to the discretion of the BCE Board and, consequently, there can be no guarantee that BCE's dividend payout policy will be maintained or achieved, that the dividend on common shares will be maintained, or that dividends will be declared. Dividend rates and the declaration of dividends by the BCE Board are ultimately dependent on BCE's corporate strategy, operations, and financial results, which are, in turn, subject to various assumptions and risks, including those outlined in this MD&A.

(1) Dividend payout ratio and dividend payout ratio after payment of lease liabilities are non-GAAP ratios. Refer to section 11.2, *Non-GAAP ratios* in this MD&A for more information on these measures.

Executive compensation alignment

BCE is focused on a pay-for-performance approach for all team members, including our executives. In order to attract, motivate and retain top talent, the company offers a competitive total compensation package.

- Base salary: rewards the scope and responsibilities of a position, with target positioning at the median of our comparator group
- Annual incentive: encourages strong performance against yearly corporate and individual objectives
- Long-term incentive: aligns with long-term interests of shareholders

The mix of vehicles awarded under BCE's long-term incentive plan favours the execution of multiple objectives. They are structured to create sustainable value for shareholders by attracting, motivating and retaining the executive officers needed to drive the business strategy, and rewarding them for delivering on our goal of advancing how people connect with each other and the world, through the successful execution of our strategic priorities. We have strong alignment of interest between shareholders and management through our equity-based incentive plans.

Best practices adopted by BCE for executive compensation

- Stringent share ownership requirements
- Emphasis on pay at risk for executive compensation
- Double trigger change-in-control policy
- Anti-hedging policy on share ownership and incentive compensation
- Clawbacks for the President and Chief Executive Officer (CEO) and all EVPs
- Caps on BCE supplemental executive retirement plans and annual bonus payouts, in addition to long-term incentive grants
- Vesting criteria aligned to shareholder interests

Capital allocation priorities

Consistent with our capital markets objective to return capital to shareholders through a sustainable dividend, while maintaining appropriate levels of capital investment, investment-grade credit ratings for Bell's senior debt and overall financial flexibility, we deploy excess free cash flow and divestiture proceeds, when available, in a balanced manner. Our capital allocation priorities include, but are not limited to, the following uses:

- Funding of strategic acquisitions and investments that support the growth of our business, including wireless spectrum purchases
- Debt reduction, with a focus on strengthening the balance sheet and supporting deleveraging objectives
- Share buybacks of preferred shares through a normal course issuer bid (NCIB) program, when appropriate

In 2025, excess free cash flow (1) of $1,152 million, compared to negative $725 million in 2024, was deployed primarily toward acquisitions and strategic partnerships aligned with our strategic priorities, as well as the repayment of long-term debt. The year-over-year increase in excess free cash flow was attributable to lower cash dividends paid on common shares following the mid-year reset of the annualized common share dividend level, as well as higher free cash flow, primarily reflecting lower capital expenditures compared to the prior year.

This graph compares the yearly change in the cumulative annual total shareholder return of BCE common shares against the cumulative annual total return of the S&P Global Ratings Canada, a business unit of S&P Global Canada Corp. (S&P)/TSX Composite Index (3), for the five-year period ending December 31, 2025, assuming an initial investment of $100 on December 31, 2020 and the quarterly reinvestment of all dividends.

(1) Excess free cash flow is a non-GAAP financial measure. Refer to section 11.1, *Non-GAAP financial measures* in this MD&A for more information on this measure.
(2) Based on BCE's common share price on the TSX and assuming the reinvestment of dividends.
(3) As the headline index for the Canadian equity market, the S&P/TSX Composite Index is the primary gauge against which to measure total shareholder return for Canadian-based, TSX-listed companies.

Capital structure

BCE's balance sheet is supported by a strong liquidity position and prudent financial risk management. At December 31, 2025, available liquidity (1) totalled $2.5 billion, comprised of $314 million in cash, $6 million in cash equivalents, $700 million available under our securitized receivables program, and $1.5 billion available under our $4.0 billion committed revolving and expansion credit facilities. We continue to monitor the capital markets for opportunities to lower our cost of debt and optimize our cost of capital, while proactively managing financial risks, including foreign currency exposure on U.S. dollar denominated purchases, equity risk associated with long-term equity-based incentive plans, and interest rate and foreign currency exposure related to our debt portfolio. Maintaining investment-grade credit ratings for Bell's senior debt remains a key financial objective.

Long-term public debt maturity profile

- $750 million of publicly issued debt securities maturing in 2026 pre-financed and early redeemed
- $1.5 billion of hybrid securities issued in February 2026

Liquidity position (2)

- $1.5 billion available under our $4.0 billion multi-year committed credit facilities
- $700 million receivables securitization available capacity
- $314 million cash
- $6 million in cash equivalents

Investment-grade credit ratings for Bell's senior debt (2) (3)

- Long-term debt credit rating of BBB by DBRS Limited (DBRS), Baa 2 by Moody's Investors Service, Inc. (Moody's) and BBB by S&P

We monitor our capital structure by using a number of measures, principally the net debt leverage ratio and dividend payout ratio.

At December 31, 2025, our net debt leverage ratio (4) was 3.78 times adjusted EBITDA, compared to 3.81 times adjusted EBITDA at December 31, 2024. This improvement occurred despite the closing of the Ziply Fiber acquisition, which was funded from the net proceeds of BCE's divestiture of its ownership stake in MLSE, together with cash on hand. Our leverage levels remain above our internal net debt leverage policy target of approximately 3.0 times adjusted EBITDA, reflecting wireless spectrum purchases, significant capital expenditures to advance our network and transformation initiatives, and the financing of several strategic acquisitions over the past several years.

We have a target of achieving a net debt leverage ratio of approximately 3.5 times adjusted EBITDA by the end of 2027, and we intend to continue reducing leverage toward our policy level of approximately 3.0 times adjusted EBITDA by 2030, consistent with our capital allocation strategy. In addition, we intend to use the proceeds from the February 12, 2026 issuance of $1.5 billion aggregate principal amount of Fixed-to-Fixed Rate Junior Subordinated Notes in two series (D and E) (the Series D and E Notes) for the repurchase, redemption or repayment of Bell's senior or subordinated indebtedness and for other general corporate purposes. The Series D and E Notes receive 50% equity treatment from the credit rating agencies and, consistent with their methodologies, only 50% of the principal amount is treated as debt in the calculation of our net debt leverage ratio.

BCE credit ratios	2027 target	**December 31, 2025**	December 31, 2024
Net debt leverage ratio	3.5	**3.78**	3.81

Bell Canada accessed the debt capital markets in February 2025, March 2025 and August 2025, raising gross proceeds of $2,250 million in U.S. dollars (approximately $3,187 million in Canadian dollars) from the issuance in the U.S. of Fixed-to-Fixed Rate Junior Subordinated Notes in two series (A and B) (the Series A and B Notes), $1,250 million from the issuance in Canada of Series C Fixed-to-Fixed Rate Junior Subordinated Notes (the Series C Notes), and $2.0 billion from the issuance in Canada of medium-term note (MTN) debentures. The net proceeds were used to redeem, repay or repurchase Bell Canada's senior indebtedness, fund the redemption of Ziply Fiber's outstanding debt securities totalling $1.96 billion in U.S. dollars (approximately $2.7 billion in Canadian dollars), and for general corporate purposes. In March 2025 and June 2025, Bell Canada repurchased, pursuant to tender offers, U.S. notes and MTN debentures with an aggregate principal face amount of $3,036 million in Canadian dollars for an aggregate cash purchase price of $2,401 million in Canadian dollars, further supporting balance sheet optimization.

In February 2025, Bell Canada amended and restated its 2024 short form base shelf prospectus to, among other things, amend the description and characteristics of the debt securities that may be issued thereunder to provide for the issuance of subordinated (including junior subordinated) debt securities in Canada and the U.S. under one or more new trust indentures.

Subsequent to year-end, on February 12, 2026, Bell Canada completed an offering of $1.5 billion aggregate principal amount of Series D and E Notes. The $750 million Series D Notes, due 2056, bear interest at an initial annual rate of 5.375%, resetting every five years beginning May 12, 2031 at a rate equal to the five-year Government of Canada yield plus 2.388%, subject to a minimum reset rate of 5.375%. The $750 million Series E Notes, due 2056, bear interest at an initial annual rate of 5.875%, resetting every five years beginning May 12, 2036 at a rate equal to the five-year Government of Canada yield plus 2.440%, subject to a minimum reset rate of 5.875%.

Bell Canada may redeem either series, in whole or in part, at a redemption price equal to 100% of the principal amount commencing on the applicable first reset dates.

(1) Available liquidity is a non-GAAP financial measure. See section 11.1, *Non-GAAP financial measures* in this MD&A for more information on this measure.

(2) As at December 31, 2025.

(3) These credit ratings are not recommendations to buy, sell or hold any of the securities referred to, and they may be revised or withdrawn at any time by the assigning rating agency. Ratings are determined by the rating agencies based on criteria established from time to time by them, and they do not comment on market price or suitability for a particular investor. Each credit rating should be evaluated independently of any other credit rating.

(4) Net debt leverage ratio is a capital management measure. See section 11.4, *Capital management measures* in this MD&A for more information on this measure.

1.5 Corporate governance and risk management

Corporate governance philosophy

The BCE Board and management of the company believe that strong corporate governance practices contribute to superior results in creating and maintaining shareholder value. That is why we continually seek to strengthen our corporate governance practices and ethical business conduct by adopting best practices, and providing full transparency and accountability to our shareholders. The BCE Board is responsible for the supervision of the business and affairs of the company.

Below are our key BCE Board information and governance best practices:

✓	Directors are ALL Independent (except CEO)
98.4%	2025 BCE Board and Committee Director Attendance Record
✓	BCE Board Committee Members are All Independent
✓	BCE Board Diversity Policy and Target for Gender Representation
✓	Annual Election of All Directors
✓	Directors Elected Individually
✓	Majority Voting for Directors
✓	Separate Chair and CEO
✓	BCE Board Interlocks Guidelines
✓	Directors' Tenure Guidelines

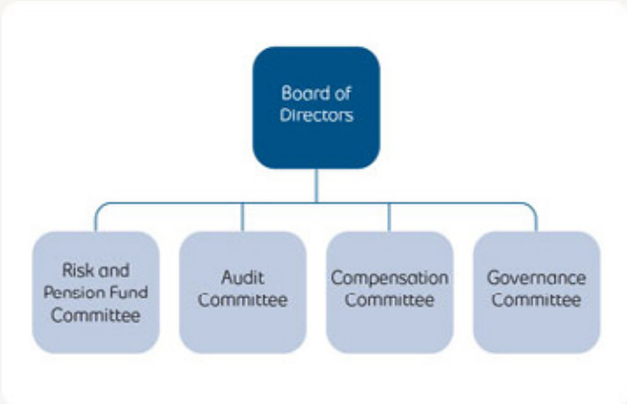
✓	BCE Board Renewal: 7 Non-Executive Director Nominees ≤ 7 Years Tenure Average Tenure = 6.21 years
✓	Share Ownership Guideline for Directors and Executives
✓	Code of Business Conduct and Ethics Program
✓	Annual Advisory Vote on Executive Compensation
✓	Formal BCE Board Evaluation Process
✓	BCE Board Risk Oversight Practices
✓	Corporate Responsibility Strategy Reviewed by BCE Board
✓	Robust Succession Planning

For more information, please refer to BCE's most recent notice of annual general shareholder meeting and management proxy circular (the Proxy Circular) filed with the Canadian provincial securities regulatory authorities (available at sedarplus.ca) and furnished to the U.S. Securities and Exchange Commission (available at sec.gov), and available on BCE's website at BCE.ca.

Risk governance framework

BCE Board oversight

The BCE Board is entrusted with the responsibility for identifying and overseeing the principal risks to which our business is exposed and seeking to ensure there are processes in place to effectively identify, monitor and manage them. These processes seek to mitigate rather than eliminate risk. A risk is the possibility that an event might happen in the future that could have a negative effect on our business, financial condition, liquidity, financial results or reputation. While the BCE Board has overall responsibility for risk, the responsibility for certain elements of the risk oversight program is delegated to BCE Board committees in order to ensure that they are treated with appropriate expertise, attention and diligence, with reporting to the BCE Board on a regular basis.



Risk information is reviewed by the BCE Board or the relevant committee throughout the year, and business leaders present regular updates on the execution of business strategies, risks and mitigation.

- The Risk and Pension Fund Committee has oversight responsibility for the organization's risk governance framework, which exists to identify, assess, mitigate and report key risks to which BCE is exposed. As part of its Charter, the Risk and Pension Fund Committee is tasked with oversight of risks relating to network resiliency, business continuity plans, work stoppage and disaster recovery plans, regulatory and public policy, data governance and privacy, AI, information security (including cybersecurity), physical security, fraud, vendor management, reputation and sustainability, technology, safety, geopolitics, the pension fund and other risks as required. The Risk and Pension Fund Committee receives reports on security matters, including information security (including cybersecurity), and on environmental matters, each quarter, and on AI matters at least annually.
- The Audit Committee is responsible for overseeing the integrity of our financial statements and related information, management's assessment and reporting on the effectiveness of internal controls, and risk processes as they relate to financial reporting and management
- The Management Resources and Compensation Committee (Compensation Committee) oversees risks relating to compensation, succession planning and workplace policies and practices

- The Corporate Governance Committee (Governance Committee) assists the BCE Board in developing and implementing BCE's corporate governance guidelines, identifying individuals qualified to become members of the BCE Board, and determining the composition of the BCE Board and its committees. The Governance Committee is responsible for oversight of our corporate responsibility programs and strategy to protect or enhance the company's reputation, and their integration within our overall business strategy, and disclosure regarding sustainability matters. The Governance Committee is also responsible for oversight of the company's policies concerning business conduct, ethics, public disclosure of material information and AI governance.

Risk management culture

There is a strong culture of risk management at BCE that is actively promoted by the BCE Board, the Risk and Pension Fund Committee and the President and CEO, at all levels within the organization. It is a part of how the company operates on a day-to-day basis and is woven into its structure and operating principles, guiding the implementation of the organization's strategic priorities.

The President and CEO, selected by the BCE Board, has set his strategic focus through the establishment of four strategic priorities and focuses risk management around the factors that could impact the achievement of those strategic priorities. While the constant state of change in the economic environment and the industry creates challenges that need to be managed, clarity around strategic objectives, performance expectations, risk management and integrity in execution ensures discipline and balance in all aspects of our business.

Risk management framework

While the BCE 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 that provide independent expertise to reinforce implementation of risk management approaches in collaboration with the operational business units. The Internal Audit function provides a further element of expertise and assurance, working to provide insight and support to the operational business units and corporate support functions, while also providing the Audit Committee, the Risk and Pension Fund Committee, and other BCE 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 the risk management framework described in this section 1.5 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.

First line – operational business units

The first line refers to management within our operational business units, who are expected to understand their operations in great detail and the financial results that underpin them. There are regular reviews of operating performance involving the organization's executive and senior management. The discipline and precision associated with this process, coupled with the alignment and focus around performance goals, creates a high degree of accountability and transparency in support of our risk management practices.

As risks emerge in the business environment, they are discussed in a number of regular forums to share details and explore their relevance across the organization. Executive and senior management are integral to these activities in driving the identification, assessment, mitigation and reporting of risks at all levels. Formal risk reporting occurs through strategic planning sessions, management presentations to the BCE Board and formal company risk reporting, which is shared with the BCE Board and the Risk and Pension Fund Committee during the year.

Management is also responsible for maintaining effective internal controls and for executing risk and control procedures on a day-to-day basis. Each operational business unit develops its own operating controls and procedures that fit the needs of its unique environment.

Second line – corporate support functions

BCE is a very large company, with 38,683 employees as at December 31, 2025, multiple business units and a diverse portfolio of risks that is constantly evolving based on internal and external factors. In a large organization, it is common to manage certain functions centrally for efficiency, scale and consistency. While the first line is often central to identification and management of business risks, in many instances operational management works collaboratively with, and also relies on, the corporate functions that make up the second line of support in these areas. These corporate functions include Regulatory, Finance, Corporate Security, Corporate Risk Management, Legal, Corporate Responsibility, Human Resources, Real Estate and Procurement.

Legal and Regulatory function: This function is responsible for the regulatory portfolio. BCE has developed, and maintains, an enhanced Data Governance Policy that encompasses the protection and appropriate use of data across its life cycle. A significant element of the data governance program relies on the Corporate Security activities outlined below, and these two functions work jointly with data owners, data custodians and other relevant employees to seek to ensure this policy is appropriately implemented. We recognize that a strong and consistently applied approach to data governance is essential to maintaining the social licence necessary to achieve our business objectives. For more information on our approach to privacy and data security, refer to section 1.6, *Capitals and our corporate responsibility*, in this MD&A.

Finance function: BCE's Finance function plays a pivotal role in seeking to identify, assess and manage risks through a number of activities, which include financial performance management, external reporting, pension management, capital management, and oversight and execution practices related to the U.S. *Sarbanes-Oxley Act of 2002* and equivalent Canadian securities legislation, including the establishment and maintenance of appropriate internal control over financial reporting. BCE has also established and maintains disclosure controls and procedures to seek to ensure that the information it publicly discloses is accurately recorded, processed, summarized and reported on a timely basis. For more details concerning BCE's internal control over financial reporting and disclosure controls and procedures, refer to the Proxy Circular and section 12, *Effectiveness of internal controls*, in this MD&A.

Corporate Security function: This function is responsible for all aspects of security, which requires a deep understanding of the business, the risk environment and the external stakeholder environment. Based on this understanding, Corporate Security sets the standards of performance required across the organization through security policies and directives that define requirements to protect team members, company assets and information. In high and evolving risk areas such as information security, Corporate Security leverages its experience and competence to develop strategies intended to mitigate the organization's risks. For instance, we have implemented security awareness training, policies and directives that seek to mitigate information security threats. We further rely on security assessments to identify risks and review projects with the objective of ensuring that systems are deployed with the appropriate level of control, including access management, vulnerability management, security monitoring and testing. We evaluate and seek to adapt our security policies and directives designed to protect our information and assets in light of the continuously evolving nature and sophistication of information security threats. However, given the complexity and scale of our business, network infrastructure, technology and IT support systems, there can be no assurance that the security policies and directives that we implement will prevent the occurrence of all potential information security breaches. In addition, although BCE has contracted an insurance policy covering information security risk, there can be no assurance that any insurance we may have will cover the costs, damages, liabilities or losses that could result from the occurrence of any information security breach.

Corporate Risk Management function: This function works across the company to gather information and report on the organization's assessment of its principal risks and the related exposures. Annually, senior management participate in a risk survey that provides an important reference point in the overall risk assessment process.

In addition to the activities described above, the second line is also critical in building and operating the oversight mechanisms that bring focus to relevant areas of risk and reinforce the bridges between the first and second lines, thereby seeking to ensure that there is a clear understanding of emerging risks, their relevance to the organization and the proposed mitigation plans.

To further coordinate efforts between the first and second lines, BCE has established a Risk Oversight Committee (ROC), which replaced the Health & Safety, Security, Environment and Compliance Oversight Committee in 2025. A significant number of BCE's most senior leaders are members of the ROC, the purpose of which is to oversee areas that pose potential risks to BCE's operations identified by management, including, but not limited to, security (including information security), environmental, health and safety, compliance, AI, data governance, and privacy. 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 ROC co-chairs report to the Risk and Pension Fund Committee, Governance Committee and Compensation Committee of the BCE Board.

We have also established management committees reporting to the ROC: (i) the Corporate Responsibility Board (CR Board) to support the evolution of our corporate responsibility strategy, and to proactively manage sustainability topics in an integrated fashion; the CR Board also reports to the BCE Disclosure and Compliance Committee with regard to the public disclosure of sustainability information; (ii) the Energy Board to ensure oversight of Bell's overall energy consumption and progress towards meeting our GHG emissions reduction targets (science-based targets); (iii) the Climate Resiliency Taskforce to assist in building a climate resiliency governance to address the potential impacts of climate change; (iv) the Responsible AI Office to oversee AI programs, risks, our AI ethical framework implementation, developments in AI technologies and their applications and monitor legal and regulatory developments impacting AI; and (v) the CISO Partnership Program (CPP) to drive secure behaviours across the company.

Third line – internal audit function

Internal Audit is a part of the overall management information and control system and has the responsibility to act as an independent appraisal function. Its purpose is to provide the Audit Committee, the Risk and Pension Fund Committee, and other BCE Board committees, as required, and management with objective evaluations of the company's risk and control environment, to support management in fulfilling BCE's strategic priorities and to maintain an audit presence throughout BCE and its subsidiaries.

1.6 Capitals and our corporate responsibility

This section contains forward-looking statements, including statements relating to our sustainability objectives and the benefits expected to result therefrom. Refer to the section *Caution regarding forward-looking statements* at the beginning of this MD&A and to the sub-section *Assumptions* at the end of this section 1.6. For explanations of certain climate-related terms, metrics and targets used in this section 1.6 including, without limitation, science-based targets and net zero, please refer to *Explanation of certain climate-related terms, metrics and targets* at the end of this section 1.6.

Corporate responsibility supports our purpose to advance how people connect with each other and the world

Our corporate responsibility approach is informed by a set of guiding principles that support our corporate strategy and policies throughout the organization. Through our own internal processes along with stakeholder feedback, we have prioritized, and set objectives to address, sustainability issues and opportunities. We measure and report on our progress. We utilize this approach because we believe it is the right thing to do and because it creates long-term value for our stakeholders. Bell's corporate responsibility initiatives focus on addressing social and environmental challenges, with the goal of delivering benefits for our customers, employees and the communities we serve. These benefits help support stronger operational performance, attract and retain talent, increase access to capital and strengthen risk management – ultimately seeking to generate sustainable returns for our shareholders and other stakeholders.

The Board has established clear oversight of our corporate responsibility programs and our approach to sustainability practices with primary accountability at the committee level. The Governance Committee is responsible for oversight of our corporate responsibility strategy and disclosure. This includes the integration of corporate responsibility within our company strategy and monitoring the implementation of corporate responsibility programs, goals and key initiatives, including those related to climate change. Moreover, it is responsible for our governance practices and policies, including those concerning business conduct, ethics and AI. In addition, the Risk and Pension Fund Committee oversees risks that could impact our business, such as safety and security, business continuity, supply chain, AI and sustainability risks, while the Audit Committee monitors significant sustainability issues that could impact financial reporting, reviews audit activities in relation to corporate responsibility and approves our risks and assumptions disclosure. The Compensation Committee has oversight of human resource issues, including respectful and inclusive workplace practices, pay equity, team survey results, human rights, and health and safety.

We continue to share our performance in managing societal, environmental and business impacts following the <IR> Framework.

Our networks

Reliable network infrastructure and trusted data practices are foundational to the products and services we deliver every day. Network performance, data privacy and information security are central to customer experience, operational resilience and long-term value creation.

How reliable networks create value

Highly reliable network infrastructure helps support consistent service delivery, customer satisfaction and economic participation. Resilient design and proactive operations help reduce service interruptions, protect critical communications and support digital services that rely on consistent, high-quality connectivity.

Activities and outcomes

- **Reliable service delivery:** Our fibre and wireless networks support consumer, business and public-sector services, including voice, data, media, cloud connectivity and public-safety communications. Network quality, availability and reliability remain core performance indicators.
- **Resilient network design:** Redundant transport routes, backup power systems and diversified network architecture help maintain service continuity and limit the impact of outages caused by extreme weather, infrastructure failures or other disruptions

- **Proactive operations:** Continuous monitoring, automated diagnostics and AI-enabled network operations help detect, isolate and resolve issues more quickly, supporting stable performance as demand for secure, high-capacity connectivity grows
- **Infrastructure integrity:** Ongoing investments in network security, capacity and resiliency help protect the integrity of services delivered over our infrastructure and support consistent reliability outcomes

Key metric

	2023	2024	**2025**
Bell's network reliability – high-speed fibre-to-the-home (FTTH) Internet connection	99.99%	99.99%	**99.99%**

How protecting privacy creates value

Respecting customer privacy is essential to maintaining trust and our licence to operate. Strong privacy practices help reduce regulatory and reputational risk while enabling responsible use of data to improve products, services and customer experience.

Activities and outcomes

- **Privacy governance:** A comprehensive privacy framework governs the collection, use, retention and disclosure of personal information across its lifecycle and is integrated into business processes and decision-making
- **Privacy-by-design:** Privacy considerations are embedded into product development, service delivery and AI governance to help ensure personal information is protected from the outset
- **Policies and training:** Mandatory training reinforces employee accountability for protecting personal information and complying with privacy requirements, supported by clear policies and guidance. Employees receive data governance training every two years through mandatory Code of Business Conduct training, reinforcing accountability for privacy compliance and responsible data use.
- **Issue management:** Structured processes help support timely investigation, resolution and prevention of privacy incidents, reinforcing transparency and continuous improvement

Key metric

	2023	2024	**2025**
Number of unresolved well-founded privacy complaints (1) from the Office of the Privacy Commissioner of Canada	–	–	**–**

How information security creates value

Strong information security practices seek to protect customer and company data, safeguards operations and supports trust in an increasingly digital environment. Effective security controls help reduce exposure to cyber threats, financial loss and service disruption.

Activities and outcomes

- **Security governance and standards:** Our information security program is informed by globally recognized frameworks, including ISO/IEC 27001, and supports a structured, risk-based approach to managing cyber threats
- **Prevention, detection and response:** Integrated security controls across networks, cloud environments and platforms help prevent incidents, detect threats early and respond effectively to minimize impact
- **Employee awareness:** Ongoing cybersecurity education, phishing simulations and regular training reinforce a strong security culture and employee engagement in protecting information
- **Continuous monitoring:** A 24/7 security operations capability analyzes large volumes of threat signals, helping enable timely response to evolving risks and strengthening overall cyber resilience

Key metric

	2023	2024	**2025**
Information security vigilance: phishing simulation report rate	33%	36%	**37%**

Our customers and relationships

Our customers and relationships

Strong, ethical relationships with customers, suppliers and partners underpin our ability to operate responsibly, manage risk and create long-term value. Our approach is grounded in business ethics and responsible procurement practices that promote trust, accountability and resilience across our value chain.

How responsible relationships create value

Clear standards for ethical conduct and responsible sourcing help strengthen operational reliability, reduce compliance and reputational risk and support sustainable innovation. Embedding these principles into governance and procurement processes enhances decision-making quality and enables long-term partnerships that create shared value for stakeholders across the markets we serve.

Activities and outcomes

- **Ethical conduct and oversight:** The Code of Business Conduct applies to employees and directors and defines expectations for responsible behaviour. Mandatory annual training and attestations reinforce a consistent ethical culture, while a confidential reporting channel enables employees and external stakeholders to raise concerns or seek guidance. All reports are reviewed and addressed as appropriate, supporting transparency and trust.
- **Governance-aligned policies:** Policies governing lobbying, political activity and responsible AI reinforce accountability, compliance and responsible decision-making across operations and partnerships

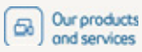
(1) This metric is the number of unresolved well-founded privacy complaints from the Privacy Commissioner of Canada as of December 31 of the reporting year. A complaint is considered well-founded if the Privacy Commissioner concluded that one or more of the allegations in the complaint has merit.

- **Customer-first experience and inclusive design:** Ongoing modernization of platforms, processes and operating models seek to improve the customer experience by enabling faster, more consistent and scalable interactions. Transformations of core systems and service platforms, together with the application of accessibility, inclusive design principles and inclusive standards across product development, digital channels and internal practices, support more equitable, intuitive and reliable experiences for the customers we serve.
- **Clear supplier expectations:** The Supplier Code of Conduct establishes requirements for environmental management, labour and human rights, health and safety, business ethics and data security. These expectations are embedded in supplier contracts and supported by ongoing oversight to promote responsible practices throughout the supply chain.
- **Due diligence and risk management:** Supplier assessments, audits, sustainability attestations and escalation protocols help identify and mitigate ethical, environmental and human rights risks, including alignment with evolving forced-labour regulations, strengthening supply-chain resilience
- **Responsible supply chain practices:** Environmental and social criteria are integrated into aspects of sourcing and contracting. Through active supplier engagement, these practices are intended to support progress on reducing indirect (Scope 3) emissions – which represent the majority of our total GHG emissions – by strengthening climate requirements and encouraging adoption of science-based targets.
- **Collaboration and continuous improvement:** Participation in industry initiatives, including the Joint Alliance for Corporate Social Responsibility, supports alignment with leading practices and collective progress. Ongoing engagement with customers, suppliers, employees, investors, governments, community organizations and academic institutions informs sustainability priorities and helps ensure practices remain responsive to emerging risks and opportunities such as climate resilience, AI governance and data responsibility.

Key metric

	2023	2024	**2025**
Bell's share of complaints to the Commission for Complaints for Telecom-television Services (CCTS) (1)	16.1%	17.0%	**16.8%**

Our products and services



Our products and services provide value to people by helping them both mitigate climate change and adapt to its impacts. Our solutions help enable customers to reduce energy needs, minimize their carbon footprint, enhance productivity and maintain services in the event of emergencies and extreme incidents.

How our products and services contributing to climate change mitigation and adaptation help create value

Bell products and services can help improve customers' resilience to climate change and enhance business continuity while reducing their GHG emissions.

Activities and outcomes

An analysis by Groupe AGECO, a third-party consultant with expertise in GHG emissions quantification, and Bell found that Bell solutions enabled carbon abatement of nearly 1,193 kilotonnes of CO_2 equivalent for our customers in 2023, which is when our last analysis was performed. This is equal to 4.7 times Bell's operational GHG (scope 1 and 2) emissions (2).

Key metric

Factor by which GHG emissions are estimated to have been avoided by our customers through the use of Bell's products and services

	2017	2020	2023
Number of times by which GHG emissions are estimated to have been abated by our customers through the use of Bell's technologies exceeded scope 1 and 2 GHG emitted by Bell's operations (2)	2.5	4.0	4.7

(1) Bell's customer satisfaction & service quality metric is based on the results from the CCTS report. The CCTS number/data only includes Bell Canada (this excludes Bell Aliant, Bell MTS, Virgin Plus, Lucky Mobile, PC Mobile). Report covers August 1 of the previous year to July 31 of the reporting year.

(2) Taking into account the products and services for which Bell has developed the technology and plays a fundamental role in its delivery to clients, as well as the products and services for which Bell has not developed the technology but enables it by providing the network. GHG emitted by Bell's operations refers to scope 1 emissions (direct GHG emissions from sources that are owned or controlled by Bell) and scope 2 emissions (indirect GHG emissions associated with the consumption of purchased electricity, heating/cooling and steam required by Bell's activities). The analyses were performed based on 2017, 2020 and 2023 data, respectively.

Our environment

We intend to manage environmental impacts in our operations and value chain through governance processes and measurable targets. Our focus is on addressing the risks posed by climate change and advancing circular economy practices to help support operational resilience, resource efficiency and long-term value creation.

Climate change

How addressing climate change creates value

Proactive climate action helps manage physical and transition risks, protect critical infrastructure, reduce energy costs and support reliable service in a changing climate.

Activities and outcomes

- **Climate strategy and governance:** Our climate strategy is guided by a three-pillar strategy – mitigate emissions, strengthen resilience and enable lower-carbon outcomes – supported by near-term science-based targets, annual objectives and BCE Board oversight
- **Operational decarbonization:** We are seeking to manage GHG emissions through, where possible, energy-efficiency initiatives, real estate and infrastructure optimization, fleet right-sizing and electrification and renewable electricity procurement
- **Climate resilience and adaptation:** Climate-risk considerations are embedded into network design, asset management and emergency preparedness. Actions include enhancing backup power, improving remote monitoring and strengthening infrastructure to support service continuity during extreme weather and climate-related events.
- **Low-carbon digital infrastructure:** As digital demand grows, including AI-enabled products and services, environmental considerations are integrated, where practicable, into infrastructure planning, siting and design. Measures such as optimized cooling, efficient temperature management and lower-carbon electricity sourcing help manage energy demand.

Key metrics

	2023	2024	**2025**
Operational (Scope 1 and 2 market-based) GHG emissions in tons of CO_2e[1]	256,366	195,805	**166,926**
Energy intensity: Energy consumption (Megawatt hours (MWh) equivalent) divided by network usage (petabytes)	99	74	**53**

Circular economy and environmental stewardship

How circularity and environmental stewardship create value

Circular practices aim to reduce material use and waste, improve operational efficiency and lower lifecycle environmental impacts. Strong environmental stewardship helps support compliance, reduce risk and align with stakeholder expectations for responsible resource management.

Activities and outcomes

- **ISO 14001 environmental management:** Our ISO 14001-certified Environmental Management System (EMS) [2], guide how we identify risks, help ensure compliance and drive continuous improvement across key environmental areas
- **Enviro-by-design:** Environmental governance is reinforced through our enviro-by-design initiative, which embeds sustainability considerations into certain aspects of procurement, product development and network planning.
- **Extending asset life:** By retaining ownership of customer equipment, we enable repair, refurbishment and redeployment, helping reduce material demand, waste and emissions associated with new manufacturing
- **E-waste stewardship and end-of-life responsibility:** As the distributor of electronic devices, we take responsibility for supporting customers at end of life through accessible and regulated e-waste programs
- **Recovery, recycling and material reuse:** We operate accessible device return and recovery programs and recover, refurbish or recycle a wide range of operational materials helping divert materials from landfill and recover embedded value
- **Waste reduction and circularity targets:** We track waste streams across operations and continue progress toward our target of reducing waste sent to landfill by 30% by 2030 from a 2019 baseline, supported by monitoring and improvement initiatives

Key metric

	2023	2024	**2025**
Number of customer devices recovered (include used TV receivers, modems, Wi-Fi pods and mobile phones)	2,953,523	2,759,467	**2,985,085**

(1) Performance is based on data from July 1 of the previous year to June 30 of the reporting year and, as a result, does not include GHG emissions associated with our AI data centres.

(2) This certification covers Bell Canada's internal governance to ensure execution of the EMS associated with the development of policies and procedures for the delivery of services by Bell Canada for business sectors network & broadband services (wireline, wireless, Internet, TV), cloud and data hosting, broadcast services (radio, digital platform & TV) and connectivity and advertising technology and event promotion.

Our people

Our ability to deliver on our strategy depends on the engagement, skills and wellbeing of our team members. We are committed to fostering a safe, inclusive and high-performance workplace that supports continuous development, prepares employees for an AI-enabled future and empowers people to do their best work every day.

How investing in our people creates value

Engaged, healthy and future-ready teams drive service quality, innovation and operational resilience. By investing in skills development, wellbeing and leadership, we help strengthen productivity, reduce risk, support retention and build the capabilities needed to adapt in a rapidly evolving business and technology environment.

Activities and outcomes

- **Health and safety:** Our team is supported by enhanced safety awareness and engagement, refreshed training approaches that emphasize real-world application and increased leadership presence in the field. Together, these actions help embed safety into day-to-day operations and support more proactive risk management across the organization.
- **Mental health and total wellbeing:** We promote wellbeing through inclusive benefits, unlimited mental health coverage, Employee and Family Assistance Program (EFAP) access and evidence-based training. Leadership programs and ongoing monitoring of psychosocial risk indicators encourage a psychologically safe and supportive workplace.
- **Skills development and AI readiness:** As our business evolves, we are reshaping how we build skills through agile, just-in-time learning, digital platforms, certifications, mentorship and on-the-job experience. Team members have access to AI literacy and productivity learning pathways, enabling confident adoption of AI tools and more efficient ways of working.
- **Leadership, engagement and inclusion:** Investment in leadership development, recognition programs and regular engagement surveys supports alignment, accountability and continuous improvement. Inclusive recruitment practices, accessibility training and employee-led networks foster belonging, while clear career pathways and early-career programs support growth, retention and the development of future leaders.

Together, these actions help build a resilient, skilled and engaged workforce equipped to deliver strong performance today and adapt for the future.

Key metrics

	2023	2024	**2025**
Overall team member engagement score (1)	73%	65%	**65%**
People leaders who completed mandatory base training on mental health (2)	94%	93%	**96%**

(1) The KPI is the average engagement score from the 2025 Bell Team Survey, conducted from September 23 to October 9, 2025. It reflects the percentage of employees who responded favourably (“Strongly Agree” or “Agree”) to four engagement questions identified by Bell’s Employee Listening team as key measures of engagement. The survey was designed by the Employee Listening team and administered by a third-party vendor specializing in employee satisfaction surveys. This metric includes active regular employees as of August 31, 2025, with more than three months’ tenure, a valid business email, and access to the survey platform. It excludes interns, students, employees on extended leave, and retirees

(2) This KPI is calculated as the percentage of total current people leaders (having a minimum of one direct report) and senior leaders (director level and above) who have completed the Mental Health Core training (the first training course in the Workplace Mental Health Leadership certificate program). This metric includes full time employees that have access to Career Zone.

Our financial resources

The financial resources of the company are addressed throughout this MD&A. In addition, in 2022 and 2023, we added sustainability-linked pricing to our committed credit facilities, to our securitization program and to certain derivatives, introducing price adjustments based on our performance of certain sustainability performance targets.

Assumptions

GHG emissions reduction and supplier engagement targets

Our GHG emissions reduction and supplier engagement targets are based on a number of assumptions including, without limitation, the following principal assumptions:

- Our ability to purchase a significant amount of renewable energy certificates (RECs) to reduce our GHG emissions
- No significant increase in electricity grid emissions intensity over which we have no control
- Anticipated GHG emissions from current and proposed Bell AI Fabric data centres are excluded from our near-term science-based targets
- No new corporate initiatives, business acquisitions, business divestitures or technologies that would materially change our anticipated levels of GHG emissions. In particular, our GHG emissions reduction targets assume that the acquisition of Ziply Fiber, and the pending disposition of Northwestel, will not materially change our anticipated levels of GHG emissions.
- Sufficient supplier engagement and collaboration in setting their own science-based targets
- The successful and timely 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
- Availability of sufficient funds to be allocated to the implementation of initiatives to reduce our electricity and fuel consumption
- No significant cost increase in solutions and initiatives identified to be implemented to achieve our targets
- 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 science-based targets pursuant to the Science Based Target initiative (SBTi) methodology that would make the achievement of our science-based targets, as updated from time to time, more onerous or unachievable in light of business requirements
- No significant change in the allocation of our spend by supplier and sufficient engagement and collaboration from the other participants across our whole value chain in reducing their own GHG emissions

Explanation of certain climate-related terms, metrics and targets

Scope 1, 2 and 3 GHG emissions

Scope 1 emissions are direct GHG emissions from sources that are controlled by Bell and are associated with fuel consumed by fleet vehicles, buildings, telecommunication towers and generators. Scope 2 emissions are indirect GHG emissions, and are associated with the consumption of purchased electricity, heating/cooling and steam required by Bell's activities. We use market-based GHG accounting (emission factors are specified within the contractual agreements with the applicable supplier) to evaluate our GHG targets. Scope 1 and 2 (market-based) emissions are sometimes collectively referred to in this MD&A as "operational emissions". Scope 3 emissions cover all indirect emissions (not included in scope 2) that occur in our value chain, including both upstream and downstream emissions. GHG emissions from scope 3 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, for which we are able to obtain primary data (such as liters 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). The complexity of this data collection contributes to uncertainty in scope 3 emissions measurement. Scope 3 emissions represent the majority of BCE's GHG emissions.

Science-based targets

Science-based targets provide a clearly-defined pathway to reduce GHG emissions. Targets are considered 'science-based' if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement, limiting global warming to 1.5°C above pre-industrial levels. The SBTi brings together a team of experts to provide companies with independent assessment and validation of targets.

Net zero target

Net-zero refers to the state in which an organization reduces GHG emissions in its entire value chain (i.e., scope 1, 2 and 3 GHG emissions) to as close to zero as possible (with a minimum reduction of at least 90%) and neutralizes (1) any remaining emissions such that its net global GHG emissions balance to zero. As of March 2026, BCE does not have a net-zero target.

(1) According to SBTi, neutralize means that carbon is removed from the atmosphere and permanently stored in geological, terrestrial, or ocean reservoirs, or in products.

2 Strategic priorities

Our success is built on the BCE team's dedicated execution of a clear strategy anchored in our purpose to advance how people connect with each other and the world. Our strategy is guided by four strategic priorities that focus on strengthening customer experience, improving operational efficiency and supporting long-term value creation, while leveraging our unique and differentiated assets across fibre, wireless, enterprise and media.

This section contains forward-looking statements, including statements relating to BCE's network deployment plans in Canada and the U.S. and the benefits expected to result therefrom; BCE's network reliability target; the launch of Unbreakable Internet in 2026; the successful development and implementation of AI solutions, either by us or pursuant to certain partnerships entered into by BCE, as well as the responsible development and use of AI; and our objectives, plans and strategic priorities. Refer to the section *Caution regarding forward-looking statements* at the beginning of this MD&A.

2.1 Put the customer first

Deliver simple, seamless and personalized experiences powered by data and AI to deliver service excellence, deepen relationships, reduce churn and increase lifetime value.

2025 progress

- Improved wireless postpaid mobile phone churn (1) by 11 basis points in 2025, supported by year-over-year improvement achieved for three consecutive quarters through enhanced customer service and retention initiatives
- Launched differentiated wireless plan tiers based on class of service, content and handset financing, providing customers with greater choice while supporting disciplined pricing and subscriber mix management
- Expanded no name mobile prepaid distribution to all Maxi locations across Québec, extending access to affordable wireless services and strengthening Bell's value-segment reach through a trusted retail partner
- Our AI-powered virtual assistant handled approximately 15 million customer interactions in 2025, resolving more than half without the need for a live agent while providing 24/7 bilingual support
- Began the rollout of a new AI-powered voice virtual assistant across Bell, Virgin Plus and Lucky Mobile to improve customer interactions, accelerate issue resolution and enhance the overall service experience
- Achieved the lowest share of customer complaints among the three largest national telecom service providers, according to the 2024–2025 Annual Report of the CCTS

2026 focus

- Continue expanding our AI-powered service capabilities with the rollout of a voice-enabled virtual assistant powered by generative AI, designed to further simplify how customers navigate services and access information
- Scale AI-powered customer care and network automation capabilities to support improved service quality and operational efficiency
- Enhance customer satisfaction through continued modernization of customer platforms, expanded use of AI-enabled service tools, and more seamless digital and human interactions
- Strengthen privacy and information security by advancing governance, security controls and privacy-by-design practices to protect customer information and support trusted digital services
- Advance accessibility initiatives through the next phase of Bell's 2026 Accessibility Plan

2.2 Deliver the best fibre and wireless networks

Deliver fast, reliable and resilient connectivity across Canada and the Pacific Northwest of the U.S. with leadership in fibre and 5G innovation.

2025 progress

- Completed the acquisition of Ziply Fiber, the leading fibre Internet provider in the Pacific Northwest of the U.S., significantly expanding Bell's fibre footprint and strengthening our position as the third-largest fibre Internet provider in North America
- Formed Network FiberCo, a long-term strategic partnership designed to accelerate the development of fibre infrastructure through Ziply Fiber in underserved markets in the U.S., supporting scalable and capital-efficient network expansion
- Continued to expand our FTTP network in Canada to more homes and businesses, reaching approximately 8 million locations at the end of 2025 and enabling multi-gigabit symmetrical Internet speeds that deliver superior performance compared to cable-based networks
- Added 199,767 net retail fibre Internet subscribers in 2025, including the contribution from Ziply Fiber

(1) Mobile phone churn is defined as the rate at which existing mobile phone subscribers cancel their services. Refer to section 11.6, *KPIs* in this MD&A for more information on this measure.

- Bell Pure Fibre was ranked Canada's fastest Internet in Ookla's Q3-Q4 2025 Speedtest Awards report (1) and also received Best Internet, Best Internet Service Provider Gaming Experience and Top-Rated Internet honours (1)
- Bell 5G was recognized as Canada's Fastest and Best 5G wireless network, Best 5G Gaming Experience, Fastest Mobile Network and Best Mobile Gaming Experience in Ookla's Q3-Q4 2025 Speedtest Awards report (1)
- Expanded our 5G wireless network to reach 89% of Canada's population
- Expanded 5G+ service coverage, leveraging 3500 MHz and 3800 MHz spectrum, to reach 65% of Canada's population
- Added 214,551 total net postpaid and prepaid mobile phone subscribers in 2025, bringing Bell's mobile phone customer base to 10,451,584 at December 31, 2025
- Announced a strategic partnership with AST SpaceMobile to advance space-based direct-to-cell connectivity, supporting future wireless coverage expansion in remote and underserved areas
- Launched Wi-Fi 7 with the introduction of Giga Hub 2.0, delivering faster speeds, lower latency and improved in-home connectivity to support increasingly data-intensive applications and connected devices
- Launched hardware-free Fibe TV, enabling customers in Ontario and Québec to access live and on-demand content on compatible smart TVs and streaming devices without the need for STBs, simplifying installation, reducing complexity, and supporting a scalable, capital-efficient service model
- Launched Bell Streaming bundles, combining premium streaming services including Crave, Netflix and Disney+ into a single subscription with simplified billing, enhancing flexibility, value and ease of management within Bell's TV and connectivity ecosystem

2026 focus

- Expand Bell Internet availability in Alberta and British Columbia (B.C.)
- Support fibre growth in the U.S. through Ziply Fiber, building long-term scale in the Pacific Northwest
- Expand 5G and 5G+ availability and advance wireless network densification to enhance capacity, performance and reliability
- Scale next-generation network capabilities, including Cloud radio access network (RAN), AI-based network automation and the deployment of new spectrum
- Maintain a strong focus on network resiliency, with a target of delivering network reliability above 99.99%
- Launch the Unbreakable Internet service proposition, leveraging Bell's fibre and wireless networks to enhance Internet resiliency and support more reliable, always-connected customer experiences
- Advance plans for satellite-enabled direct-to-cell services
- Progress the decommissioning of legacy technologies, including the continued decommissioning of copper infrastructure and the wind-down of the 3G wireless network

2.3 Lead in enterprise with AI-powered solutions

Enable businesses and governments to accelerate digital transformation with secure, scalable cloud, AI, cybersecurity, IoT and managed services that improve efficiency and competitiveness.

2025 progress

- Introduced the Ateko brand, unifying Bell's technology services capabilities into a single systems integration and managed services platform focused on AI automation and cloud solutions for enterprise customers
- Launched the Bell Cyber brand, unifying Bell's cybersecurity capabilities into a single, integrated platform to deliver end-to-end, AI-enabled security solutions for enterprise and public sector customers
- Launched Bell AI Fabric, a full-stack sovereign AI platform providing secure, scalable, Canadian-controlled compute, data and network infrastructure to support AI workloads and data-intensive applications for enterprise and public sector customers
- Delivered strong growth in AI-powered solutions revenues in 2025, reflecting increased enterprise demand across Ateko, Bell Cyber and Bell AI Fabric, and demonstrating continued momentum in Bell's enterprise strategy
- Acquired SDK Tek, a Calgary-headquartered data engineering and analytics provider, strengthening Bell's AI data and analytics capabilities and enhancing our ability to deliver enterprise AI-powered solutions across advanced analytics platforms
- Announced a strategic partnership with Cohere, a Canadian enterprise AI company, to support the delivery of secure, sovereign AI solutions by integrating Cohere's large language models (LLMs) within Bell AI Fabric for enterprise and public sector customers
- Announced strategic collaborations with leading Canadian universities, including Simon Fraser University and Queen's University, to advance Canadian-controlled, sovereign AI supercomputing infrastructure and expand research, enterprise and public sector AI capabilities as part of Bell AI Fabric

(1) As awarded by Ookla®, a global leader in fixed and mobile network testing and analysis, in their Speedtest AwardsTM. Based on Ookla® Speedtest Intelligence® data, 2H 2025. All rights reserved.

2026 focus

- Scale Bell AI Fabric capacity across Canada to support growing enterprise and public sector demand for secure, sovereign AI compute and data-intensive workloads
- Expand Ateko's cloud, automation and workforce transformation services to deepen enterprise adoption of AI-enabled platforms and accelerate customer outcomes
- Grow Bell Cyber's managed security and threat intelligence offerings to address increasing cybersecurity requirements across enterprise and government customers
- Support federal and provincial digital government modernization initiatives through integrated connectivity, cloud, cybersecurity and AI-enabled solutions
- Advance private 5G and edge-compute deployments to enable AI-driven use cases across industrial, logistics, utilities and public sector environments
- Strengthen sovereign AI capabilities through partnerships with Canadian AI leaders, including Cohere, BUZZ High Performance Computing (BUZZ HPC), Coveo and others, to expand the Bell AI ecosystem
- Help enterprise and public sector customers develop and implement responsible AI governance frameworks to support secure, compliant and trusted AI adoption

2.4 Build a digital media and content powerhouse

Engage audiences across platforms with trusted news, entertainment, sports and streaming experiences, supported by data-driven advertising and original content.

2025 progress

- Grew Crave's total subscriber base to 4.6 million in 2025, representing a 26% increase year over year, reflecting strong consumer demand for Bell's premium streaming content and platform offering
- Completed the largest expansion of the Crave platform in its history in 2025, increasing the content portfolio by 30% through the integration of live programming from CTV and Noovo, including news, select sports and entertainment events, and an enhanced kids' content offering, supported by significant user experience (UX) improvements
- Delivered record viewership on the Crave platform in 2025, with the year representing the most-watched in Crave's streaming history for hours viewed
- Delivered strong momentum for Crave Original programming in 2025, with *Heated Rivalry* achieving significant global traction, supported by international distribution and an early renewal for a second season
- CTV remained Canada's most-watched TV network in primetime for the 24th consecutive year among viewers A25-54
- Strengthened Bell Media's long-term sports content strategy through its extended regional broadcast partnership with the Montréal Canadiens, securing premium live National Hockey League (NHL) programming across TSN, RDS and digital platforms
- Extended Bell Media's long-term regional broadcast rights with the Winnipeg Jets, securing continued access to live NHL programming across TSN and digital platforms
- Launched new Disney+, Crave and TSN streaming bundles, expanding Bell Media's bundled streaming distribution strategy and providing consumers with greater choice and value across premium entertainment and live sports content
- Extended Bell Media's long-term exclusive partnership with iHeartMedia, securing Canadian representation of iHeartRadio's podcast portfolio and expanding audio and digital advertising opportunities across iHeartRadio Canada and Bell Media platforms
- Entered into a long-term strategic ad sales and distribution partnership with Tubi, expanding the availability of Canadian content from Bell Media's on-demand catalogue and FAST channel lineup, while creating new digital advertising opportunities
- Advanced Bell Media's global content distribution strategy through its majority ownership of Sphere Abacus, establishing Sphere Abacus as the primary international distributor of Bell Media's owned distribution rights and expanding the global reach of Canadian content and creators through international sales and monetization

2026 focus

- Scale Crave, TSN and RDS streaming services through expanded distribution, optimized content offerings and continued platform and UX enhancements, supporting growth in direct-to-consumer (DTC) and bundled subscriptions
- Advance Bell Media's digital-first media strategy by growing digital revenues, (1) increasing DTC subscribers, and scaling digital growth in the OOH business
- Grow advertising revenue and expand market share by continuing to scale Connected TV, FAST and Dynamic Audio Ad Insertion (DAAI), and by enhancing data-driven advertising capabilities to deliver more precise targeting, measurement and attribution across linear and digital platforms
- Strengthen Canadian storytelling and audience engagement, including continued investment in original French-language content and a focus on digital platforms such as Crave, Noovo.ca and iHeartRadio Canada to deliver more personalized experiences for French-language audiences
- Optimize partnerships and strategic content investments to monetize content rights and Bell Media properties across all platforms and distribution channels
- Expand global content distribution through Sphere Abacus, extending the international reach and monetization of Bell Media-owned and third-party content

(1) Digital revenues are comprised of advertising revenue from digital platforms including web sites, mobile apps, ad-supported subscription tiers on Crave, connected TV apps and OOH digital assets/platforms, as well as advertising procured through Bell digital buying platforms and subscription revenue from DTC services and video on demand (VOD) services.

3 Performance targets, outlook, assumptions and risks

This section provides information pertaining to our performance against 2025 targets,[1] [2] our consolidated business outlook and operating assumptions for 2025 and our principal business risks.

3.1 BCE 2025 performance

Financial measure	2025 target	2025 performance and results	
Revenue growth Adjusted net earnings per share (adjusted EPS) [3] growth	**0% to 2%**	0.2%	BCE revenues increased by 0.2% in 2025, compared to 2024, driven by higher service revenues of 0.6%, partly offset by lower product revenues of 2.2%. This reflected greater revenues from Bell CTS, attributable to our new Bell CTS U.S. segment as a result of the acquisition of Ziply Fiber on August 1, 2025, partly offset by lower Bell CTS Canada revenues, along with a modest increase in Bell Media revenues.
Adjusted EBITDA growth	**0% to 2%**	0.7%	BCE adjusted EBITDA grew by 0.7% in 2025, compared to 2024, due to higher operating revenues and lower operating costs. The growth was attributable to Bell CTS driven by Bell CTS U.S. as a result of the acquisition of Ziply Fiber, partly offset by a reduction in Bell CTS Canada, along with a higher contribution from our Bell Media segment.
Net earnings growth	**No target provided**	n.m.	In 2025, net earnings increased by $6,139 million, compared to 2024, mainly due to higher net gains on investments resulting from the sale of our minority stake in MLSE, lower impairment of assets primarily in our Bell Media segment as well as higher other income, partly offset by higher income taxes and higher depreciation and amortization.
Capital intensity [3]	**Approx. 15%**	15.1%	BCE capital expenditures of $3,700 million in 2025, declined by $197 million compared to 2024, along with a corresponding capital intensity ratio of 15.1%, down 0.9 pts over last year. The year-over-year decline was consistent with a planned reduction in capital spending in Bell CTS Canada, primarily from slower FTTP footprint expansion in Canada, partly as a result of regulatory decisions that discourage network investment. The decline in capital spending was partly offset by capital investments in our new Bell CTS U.S. segment as a result of the acquisition of Ziply Fiber. Capital investments were focused on the continued expansion of Ziply Fiber's FTTP network in the U.S.
Net earnings per share (EPS) growth	**No target provided**	n.m.	Net earnings attributable to common shareholders in 2025 increased by $6,142 million, or $6.61 per common share, compared to 2024, mainly due to higher net gains on investments resulting from the sale of our minority stake in MLSE, lower impairment of assets primarily in our Bell Media segment as well as higher other income, partly offset by higher income taxes and higher depreciation and amortization.
Adjusted net earnings per share (adjusted EPS) [4] growth	**(13%) to (10%)**	(7.9%)	Excluding the impact of severance, acquisition and other costs, net mark-to-market gains (losses) on derivatives used to economically hedge equity settled share-based compensation plans, net equity gains (losses) on investments in associates and joint ventures, net gains (losses) on investments, net early debt redemption gains (costs) and impairment of assets, net of tax and non-controlling interest (NCI), adjusted net earnings in 2025 was $2,601 million, or $2.80 per common share, compared to $2,773 million, or $3.04 per common share, in 2024.
Cash flows from operating activities growth	**No target provided**	0.1%	In 2025, BCE's cash flows from operating activities of $6,993 million increased by $5 million, compared to 2024, mainly due to higher cash from working capital and lower income taxes paid, partly offset by settlements on derivatives used to economically hedge equity settled share-based compensation plans, higher severance and other costs paid and higher interest paid.
Free cash flow growth	**6% to 11%**	10.0%	Free cash flow of $3,178 million in 2025 increased by $290 million compared to 2024, mainly due to lower capital expenditures.
Annualized common dividend per share	**$1.75 per share**	$1.75 per share	Annualized dividend per BCE common share for 2025 decreased by $2.24, or 56.1%, to $1.75 compared to $3.99 per share in 2024.

n.m.: not meaningful

(1) As announced in a news release issued on May 8, 2025, and available on SEDAR+ at www.sedarplus.ca, we revised our annualized common dividend per share guidance for 2025 downward from $3.99, previously announced on February 6, 2025, to $1.75. All other financial guidance targets remained unchanged at that time.

(2) As announced in a news release issued on August 7, 2025, and available on SEDAR+ at www.sedarplus.ca, we revised our revenue growth, adjusted EBITDA growth, capital intensity, adjusted EPS growth and free cash flow growth guidance targets for 2025, previously announced on February 6, 2025, from ranges of (3%) to 1%, (2%) to 2%, approximately 14%, (13%) to (8%), and 11% to 19%, respectively, to ranges of 0% to 2%, 0% to 2%, approximately 15%, (13%) to (10%) and 6% to 11%, respectively. Annualized common dividend per share guidance remained unchanged at that time.

(3) Capital intensity is defined as capital expenditures divided by operating revenues. Refer to section 11.6, *KPIs* in this MD&A for more information on this measure.

(4) Adjusted EPS is a non-GAAP ratio. Refer to section 11.2, *Non-GAAP ratios* in this MD&A for more information on this measure.

3.2 Business outlook and assumptions

This section contains forward-looking statements, including statements relating to our business outlook, our goal of $1.5 billion in cost savings by 2028 and the benefits expected to result therefrom, and our plans and strategic priorities. Refer to the section *Caution regarding forward-looking statements* at the beginning of this MD&A.

2026 outlook

BCE's outlook for 2026 reflects execution against the three-year strategic and financial framework presented at our 2025 Investor Day. As the first year of this framework, the outlook is focused on scaling our core growth engines of fibre, wireless, AI-powered solutions and digital media, strengthening financial performance and maintaining disciplined capital allocation, while managing declines in higher-margin legacy services.

BCE expects to continue funding strategic growth initiatives while benefiting from efficiencies associated with prior network investments that reduce ongoing run-the-business capital requirements and provide increased flexibility to allocate capital toward higher-return opportunities.

BCE remains focused on transformation initiatives and operating efficiencies across the organization and continues to expect to deliver $1.5 billion in cost savings by 2028, which are expected to help mitigate the impact of legacy revenue declines.

Assumptions

Assumptions about the Canadian economy

Considerable uncertainty remains around the impact of U.S. trade policy on the Canadian economy. We have assumed:

- Modest economic growth, given the Bank of Canada's most recent estimated growth in Canadian gross domestic product of 1.1% in 2026, representing a decrease from 1.7% in 2025
- Low population growth driven by government policies designed to reduce the inflow of newcomers
- Modest growth in consumer spending supported by past interest rate cuts and higher equity prices
- Soft growth in business investment, particularly in sectors most reliant on U.S. markets
- Relatively stable level of consumer price index (CPI) inflation
- Ongoing labour market softness
- Interest rates expected to remain at or near current levels
- Canadian dollar expected to remain near current levels. Further movements may be impacted by the degree of strength of the U.S. dollar, interest rates and changes in commodity prices.

Assumptions about the U.S. economy

- Slowdown in consumer spending, offset by business investment
- Ongoing uncertainty surrounding trade policy
- Stable CPI inflation

Canadian market assumptions

- A moderated level of wireless competition and sustained level of wireline competition in consumer markets
- Higher, but slowing, wireless industry penetration
- A shrinking data and voice connectivity market as business customers migrate to lower-priced telecommunications solutions or alternative OTT competitors
- The advertising market is shifting towards digital platforms and most legacy Canadian TV and radio platforms are expecting impacts from flat to declining audiences
- Increasing competition from the continued rollout of subscription video on demand (SVOD) streaming services together with further scaling of OTT aggregators is expected to result in further declines in broadcasting distribution undertaking (BDU) subscribers

U.S. market assumptions

- A higher level of wireline pricing competition in consumer, business and wholesale markets
- Increased demand for colocation and data centre connectivity services
- A shrinking traditional voice services market as customers migrate to wireless or VoIP offerings

Assumptions underlying expected continuing contribution holiday in 2026 in the majority of our pension plans

- At the relevant time, our defined benefit (DB) pension plans will remain in funded positions with going concern surpluses and maintain solvency ratios that exceed the minimum legal requirements for a contribution holiday to be taken for applicable DB and defined contribution (DC) components
- No significant declines in our DB pension plans' financial position due to declines in investment returns or interest rates
- No material experience losses from other events such as through litigation or changes in laws, regulations or actuarial standards

3.3 Principal business risks

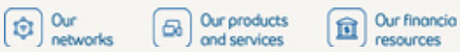
Provided below is a summary description of certain of our principal business risks that could have a material adverse effect on all of our segments. Certain additional business segment-specific risks are reported in section 5, *Business segment analysis*. For a detailed description of the principal risks relating to our regulatory environment and of the other principal business risks that could have a material adverse effect on our business, financial condition, liquidity, financial results or reputation, refer to section 8, *Regulatory environment,* and section 9, *Business risks,* respectively.

General economic conditions and geopolitical events

Our business and financial results could be negatively affected by adverse economic conditions, including the continuation or escalation of trade wars and recessions. U.S. tariffs and the unpredictability of future trade arrangements could significantly affect economic growth, customer spending and confidence, inflation, and the value of the Canadian dollar. Given the high degree of uncertainty around the duration and extent of U.S. tariffs, it is difficult to predict how the effects may impact the economy and our business. The global economic environment could further exacerbate pre-existing risk factors, including those described in this MD&A, in light of modest Canadian economic growth, reductions in immigration levels, high housing support costs relative to income, and financial and capital market volatility. All of these could negatively affect our business and financial results, including by adversely affecting customer spending, the resulting demand for our products and services, our customers' financial condition, and the cost and amount of funding available in the financial markets.

Furthermore, risk factors could be exacerbated, or become more likely to materialize, as a result of geopolitical events, which could have an adverse impact on our business and financial results and related assumptions, the extent of which is difficult to predict. Geopolitical events could adversely impact the global economy and cause financial and capital market volatility, broader geopolitical instability and armed conflicts, higher energy prices, inflationary pressures limiting consumer and business spending and increasing our operating costs, disruptions in our supply chains, and increased information security threats.

Competitive environment



Competitive activity in our industry is intense and competitive dynamics are evolving, contributing to disruptions in each of our business segments

Our market landscape is being reshaped by changing macroeconomic and regulatory environments, increasing global and national competition, and evolving customer preferences. As our business evolves and technological advances drive new services, delivery models, and strategic partnerships, our competitive landscape continues to intensify and expand to include new and emerging competitors – certain of which were historically our partners or suppliers – as well as global-scale competitors, including, in particular, cloud and OTT service providers, data centres, IoT hardware and software security providers, VoIP providers, and other web-based and satellite-based players that are penetrating the communications space with significant resources and a large customer base over which to amortize costs. Certain of these competitors are changing the competitive landscape by establishing a material market presence, which has accelerated in recent years, and continues to evolve rapidly particularly as AI technology adoption accelerates. Established competitors further seek to consolidate or expand their product offerings through acquisitions in order to increase scale and market opportunities in light of these changes in market dynamics. Failure to effectively respond to such evolving competitive dynamics could adversely affect our business and financial results.

Technological advancements, IP networks, and recent regulatory decisions, in particular, continue to facilitate entry in our industry. In addition, the effects of government policies that result in the acquisition of spectrum at favourable pricing by regional facilities-based wireless service providers distort market dynamics. These factors have changed industry economics and allowed competitors to launch new products and services and gain market share with far less investment than has historically been required. In particular, with CRTC decisions mandating wholesale rates for wireline Internet and mobile virtual network operator (MVNO) access, competitors can deliver their services over our networks, leveraging regulatory obligations applicable to us, thereby limiting their need to invest in building their own networks and impacting the network-based differentiation of our services and our ability to earn an appropriate return on investment in our networks. Such lower required investment by competitors, and the impact on our return on investment, challenges the monetization of our networks and our operating model. Moreover, foreign OTT players are currently not subject to the same Canadian content investment obligations as those imposed on Canadian domestic digital suppliers, which provides them with a competitive advantage over us.

If we are unable to develop and deploy new solutions in advance of, or concurrently with, our competitors, if the market does not adopt these new technologies in pace with our deployment of new solutions, or if we fail to adequately assess and manage the risks associated with these new solutions, our business and financial results could be adversely affected.

We expect these trends to continue in the future, and the increased competition we face as a result could negatively impact our business including, without limitation, in the following ways:

- Competitors' aggressive market offers, combined with heightened customer sensitivity around pricing, could lead to pricing pressures, lower margins and increased costs of customer acquisition and retention, and our market share and sales volumes could decrease if we do not match competitors' pricing levels or increase customer acquisition and retention spending
- Adverse economic conditions, lower immigration levels, high interest rates and elevated inflation, adverse conditions in the financial markets, or a declining level of retail and commercial activity, could have a negative impact on the demand for, and prices of, our products and services, and improve the competitive position of lower-cost providers

- CRTC decisions regarding wholesale access to our wireless and fibre networks could facilitate entry of new competitors, including OTT players, strengthen the market position of current competitors, or encourage existing competitors to expand beyond their traditional footprint, which may negatively impact our retail subscriber base in favour of lower-margin wholesale subscribers and thus could negatively impact our capacity to optimize scale and invest in our networks
- The acceleration of disruptions and disintermediation in each of our business segments, due to technological advancements and affordability, could adversely affect our business and financial results
- Should our value proposition on pricing, network, speed, service, or features not be considered sufficient for customers in light of available alternatives, or should our products and services not be provided over customers' preferred delivery channels, this could lead to increased churn and slowing revenue growth
- Increased embedded SIM (eSIM) adoption makes it easier for customers to change service providers and has the potential to upend existing distribution models, including negatively impacting roaming revenue
- The shift to online transactions and digital self-serve could cause a reduction in in-store traffic, which could adversely impact our ability to leverage our extensive retail network to increase the number of subscribers and sell our products and services
- The convergence of wireline and wireless services is impacting product purchase choice by customers and could increase product substitution in favour of lower-margin products as well as increase churn. These trends are expected to increase with the continued adoption of 5G and 5G+.
- The extent and timely rollout of fibre networks and 5G and 5G+ mobile services may be adversely impacted by government and regulatory decisions, constraints on access to and price of network equipment, labour shortages, and potential operational challenges in delivering new technology
- Cloud-based and OTT-based substitution, and the market expansion of lower-cost VoIP, collaboration, and software-defined networking in a wide area network (SD WAN) solutions offered by local and global competitors, such as traditional software players, are changing our approach to service offerings and pricing and could have an adverse effect on our business
- The launch by competitors of low earth orbit (LEO) satellites, as well as partnerships between telcos and LEO satellite connectivity providers, and between governments and LEO satellite connectivity providers to provide connectivity, including in rural areas and in Northern Canada, continues to intensify competition, which could adversely affect our network deployment strategy in such areas and negatively impact demand for our connectivity services. The ability of our subsidiary Northwestel, operating in Canada's North, to respond to the competitive threat from these providers is further hampered by CRTC retail Internet regulations.
- Increased insolvency, spending rationalization, and consolidation by business customers could lead to further disruptions in our Bell CTS Canada and Bell CTS U.S. segments, driven by technology substitution, economic factors, and customers' operational efficiencies
- The pressure from simpler, lower-cost, agile service models is driving in-sourcing trends, which could have an adverse impact on our managed services business
- Greater customer adoption of services like 5G, as well as IoT services and applications in the areas of retail, business, transportation, and urban city optimization, combined with the increased use of AI, is expected to accelerate competition in these areas
- Subscriber and viewer growth and retention are challenged by changing viewer habits, optionality, higher costs for consumers and content providers, as well as the expansion and continued market penetration of global scale low-cost OTT content providers, OTT aggregators, and other alternative service providers, some of which may offer content and platforms as loss leaders to support their core business, as well as account stacking, CRTC arbitration, and a fragmentation of audiences due to an abundance of choices
- Competition, with both global competitors and traditional Canadian TV competitors, for programming content could drive significant increases in content acquisition and development costs, as well as reduced access to key content as some competitors withhold content to enhance their OTT service offering
- The proliferation of content piracy could negatively impact our ability to monetize products and services beyond our current expectations, while creating bandwidth pressure without corresponding revenue growth in the context of regulated wholesale high-speed Internet access rates
- Our ability to grow digital and other alternative advertising revenue, in the context of a changing and fragmented advertising market, is being challenged by global-scale players
- Traditional radio faces accelerated substitution from new music players and alternative streaming services such as those offered by global audio streaming players and those made available by new technologies, including smart car services
- An increase in the number of competitors in the AI data centre provider market could have a material effect on our business, including, but not limited to, creating challenges in the allocation of adequate power resources for future developments, and creating downward pressure on our pricing and margins
- Competition from both global and domestic system integrators driving pricing pressure across the industry

Similarly to Canada, the U.S. market in which Ziply Fiber operates is highly competitive, rapidly evolving and fragmented, and subject to changing technology, shifting customer needs and frequent introductions of new products and services. Customers have alternatives in obtaining products and services from other providers, including competitive local exchange carriers, local telephone companies, Internet service providers, wireless companies, satellite companies, VoIP providers and cable companies. Some of these competitors may have market presence, engineering, technical and marketing capabilities and financial, personnel and other resources, in each case greater than those of Ziply Fiber. Additionally, some of Ziply Fiber's competitors offer wireless services which may place them at a competitive advantage to Ziply Fiber as a result of their ability to offer bundled services and discounts. Our ability to innovate our own technology may also affect our ability to compete. Ziply Fiber's ability to compete successfully may be affected by various competitive factors affecting the U.S. industry, including a changing regulatory environment that may affect our business and that of our competitors differently. Refer to section 8.2, *U.S. regulatory environment*, of this MD&A for more details. Loss of customers due to competition or renewal of customer agreements at lower rates could have a material adverse effect on Ziply Fiber's business and consequently, adversely affect our financial performance. For a further discussion of our competitive environment and related risks, as well as a list of our main competitors, on a segmented basis, refer to *Competitive landscape and industry trends* and *Principal business risks* in section 5, *Business segment analysis*.

Regulatory environment and compliance

Our regulatory environment influences our strategies, and adverse governmental or regulatory decisions could have negative financial, operational, reputational or competitive consequences for our business

In Canada, although most of our retail services are not price-regulated, government agencies and departments such as the CRTC, Innovation, Science and Economic Development Canada (ISED), Canadian Heritage, and the Competition Bureau continue to play a significant role in regulatory matters, including establishing and modifying regulations for mandatory access to networks, spectrum auctions, the imposition of consumer-related codes of conduct, approval of acquisitions, broadcast and spectrum licensing, foreign ownership requirements, privacy and cybersecurity obligations, online streaming and digital services regulations, and control of copyright piracy. As with all regulated organizations, strategies are contingent upon regulatory decisions. Adverse decisions by governments or regulatory agencies, increased regulation, lack of effective anti-piracy remedies, intermittent policies, or reluctance to effectively regulate global-scale players in the broadcasting business could have negative financial, operational, reputational, or competitive consequences for our business.

Regulatory frameworks governing AI are evolving rapidly across the jurisdictions in which we operate. Governmental and regulatory bodies are introducing, or are expected to introduce, new rules addressing data privacy, algorithmic transparency, model training, safety testing, liability allocation, and the permissible use of automated decision-making systems. These emerging requirements may impose substantial compliance obligations on AI developers and operators. Non-compliance with current or future AI regulations could subject us to penalties, enforcement actions, and reputational harm.

In the U.S., some of the services we offer through Ziply Fiber are subject to extensive regulation from U.S. federal, state, and local authorities, including the Federal Communications Commission (FCC) and state regulatory agencies. As a result, Ziply Fiber faces numerous risks that may have a material adverse effect on its business and operations and, consequently, adversely affect our financial performance.

For a discussion of our regulatory environment in both Canada and the U.S., and the principal risks related thereto, refer to section 8, *Regulatory environment,* as well as the segment discussion under *Principal business risks* in section 5.1, *Bell CTS*.

Failure to proactively address our legal and regulatory obligations, and our involvement in various claims and legal proceedings, could have an adverse effect on our business, financial performance and reputation

Changes in laws or regulations, or in how they are interpreted, and the adoption of new laws or regulations, as well as pending or future litigation, could have an adverse effect on our business, financial performance, and reputation. The increase in laws and regulations around customer interactions, along with the technological evolution of our business, further create an environment of complex compliance requirements that must be adequately managed. Failure to monitor and comply with legal or regulatory obligations applicable to us could expose us to litigation, significant fines and penalties, and operational restrictions, as well as result in reputational harm. Heightened focus on consumer protection through legislation, regulatory consumer codes, as well as increased legal and regulatory pressure in the areas of privacy, accessibility, data and AI governance, cybersecurity, and other sustainability topics, require that we build and operationalize enhanced compliance frameworks and could further increase the company's exposure to investigations, litigation, sanctions, fines, and reputational harm.

We become involved in various claims and legal proceedings as part of our business. For a description of important legal proceedings involving us, please see the section entitled *Legal proceedings* contained in the BCE 2025 AIF.

Security management and data governance

Our operations, service performance, reputation and business continuity depend on how well we protect our assets, including from information security threats

Our operations, service performance, reputation, and business continuity depend, in part, on how well we protect our assets and data, including networks, IT systems, offices, corporate stores, and sensitive information, from events such as information security attacks, unauthorized access or entry, fire, natural disasters, extreme weather events linked to climate change, power loss, building cooling loss, acts of war or terrorism, geopolitical conflict, sabotage, vandalism, actions of neighbours, and other events. The protection and effective organization of our systems, applications, and information repositories are central to the secure and continuous operation of our networks and business, as electronic and physical records of proprietary business and personal data, such as confidential customer and employee information, are all sensitive from a market and privacy perspective.

Information security breaches can result from increased adoption of AI tools and a growing number of sophisticated actors, including hackers, ransomware groups, organized criminals, state-sponsored organizations, and other parties. Information security attacks have grown in complexity, magnitude, and frequency in recent years, and are increasingly AI-driven and automated, heightening the potential for damage. Information security attacks may be perpetrated through a complex and evolving array of methods, including stolen credentials, social engineering (with or without deepfakes), computer viruses and other malware, phishing, and other attacks on information systems and networks. Information security attacks aim to achieve various malicious objectives, including unauthorized access to, theft of, and ransomware-driven encryption of confidential, proprietary, sensitive, or personal information, as well as extortion and business disruption.

Increased accessibility and capability of AI present security risks, as criminals and other malicious actors leverage these technologies to automate, scale, and enhance the sophistication of their operations, including developing more potent and evasive malware, automating the discovery of system vulnerabilities, conducting highly personalized and convincing phishing or social engineering attacks (including deepfake audio and video), and optimizing brute-force or credential-stuffing attempts at unprecedented speed and scale; and perpetrating large-scale identity theft, generating synthetic identities, and automating fraudulent transactions.

We are also exposed to information security threats as a result of actions that may be taken by our customers, suppliers, outsourcers, business partners, employees, or independent third parties, whether malicious or not, including as a result of the use of social media, cloud-based solutions, our AI-computing data centres, and IT consumerization. Our use of third-party suppliers and outsourcers, and reliance on business partners, which may similarly be subject to information security threats, also expose us to risks as we have less immediate oversight over their IT domains. Furthermore, the introduction of smartphones, 5G, cloud computing, and the proliferation of data services, including mobile TV, mobile commerce, mobile banking, and IoT applications, as well as increased digitization and the use or misuse of emerging technologies such as AI, robotics and smart contracts leveraging blockchain for digital certification, have significantly increased the threat surface of our networks and systems, resulting in higher complexity that needs to be carefully monitored and managed to minimize security threats. Failure to implement an information security program that efficiently considers relationships and interactions with business partners, suppliers, customers, employees, and other third parties across all methods of communication, including social media and cloud-based solutions, could adversely affect our ability to successfully defend against information security attacks.

Changes in behaviour over the past years, as well as recent geopolitical events, have further increased our exposure to information security threats. Remote and hybrid work arrangements for our employees and those of our suppliers have increased remote connectivity to our systems and the potential use of unauthorized communications technologies. In addition, we have seen an increase in global criminal activity, including ransomware- and extortion-based attacks targeting critical infrastructure and telecommunications providers, which further strains our information security environment.

If information security threats were to become successful attacks resulting in information security breaches, they could harm our brand, reputation, and competitiveness; decrease customer and investor confidence; and adversely affect our business and financial results, given that they could lead to:

- Network operating failures and business disruptions, including those affecting emergency and public safety services, which could negatively impact our ability to sell products and services to our customers and adversely affect their ability to maintain normal business operations and deliver critical services, and/or the ability of third-party suppliers to deliver critical services to us
- Unauthorized access to, and use of, proprietary or sensitive information, which could result in lost revenue, diminished competitive advantages, challenges in retaining or attracting customers after an incident, and loss of future business opportunities
- Theft, loss, leak, destruction, encryption, corruption, unauthorized disclosure, and unauthorized access to, or use of, data and confidential information, including personal information about our customers or employees, that could result in financial loss, exposure to claims for damages by customers, employees and others, fines and/or penalties for non-compliance with applicable privacy legislation, extortion threats due to ransomware, notification and remediation costs, and difficulty in accessing materials to defend legal actions
- Physical damage to network assets impacting service continuity
- Fines and sanctions for failure to meet legislative requirements or from credit card providers for failing to comply with payment card industry data security standards for protection of cardholder data
- Increased fraud as criminals leverage stolen information against our customers, our employees, or our company
- Remediation costs, such as liability for stolen information, or deepfake-enabled impersonation, equipment repair and service recovery, and incentives offered to customers or business partners to maintain relationships after an incident
- Increased information security protection costs, including the costs of deploying additional personnel and protection technologies, training and monitoring employees, implementing robust detection and response capabilities, and engaging third-party security experts and auditors
- Changes in the terms, conditions, and pricing of customer, supplier and financial contracts and agreements that we may have

In light of the evolving nature and sophistication of information security threats, our information security policies, procedures, and controls must continuously adapt and evolve in order to seek to mitigate risk and, consequently, require constant monitoring to ensure effectiveness. However, given the complexity and scale of our business, network infrastructure, technology, and IT supporting systems, there can be no assurance that the security policies, procedures, and controls that we implement will be effective against all information security attacks. In addition, there can be no assurance that any insurance we may have will cover all or part of the costs, damages, liabilities, or losses that could result from the occurrence of any information security breach.

Failure to implement effective security, data and responsible AI governance frameworks could harm our brand and reputation, expose us to regulatory pressure, fines and/or penalties, constrain our competitive opportunities, and adversely affect our business and financial results

To achieve our purpose of advancing how people connect with each other and the world, we must preserve the social licence from our customers to collect and use data in our operations. A strong and consistently applied approach to data governance across our company is critical to maintaining that social licence, requiring us to focus on respecting the privacy of our customers' and employees' data and protecting such data against information security threats, while enabling the responsible and ethical use of data and AI. As our operations involve receiving, processing, and storing such proprietary business and personal data, effective policies, procedures, and controls must be implemented to protect information systems and underlying data in accordance with applicable privacy legislation. Failure to meet customer and employee expectations regarding the appropriate use and protection of their data could have negative reputational, business, and financial consequences for the company.

There has also been increased regulatory scrutiny over the use, collection, and disclosure of personal information. We are subject to various privacy and marketing laws, including Canada's Anti-Spam Legislation (CASL) and the *Personal Information Protection and Electronic Documents Act*; the U.S. *Controlling the Assault of Non-Solicited Pornography And Marketing Act of 2003* (CAN-SPAM Act); and foreign privacy laws flowing through customers contracts, including the EU General Data Protection Regulation (GDPR). In the U.S., privacy is regulated through a patchwork of general consumer-protection authority, sector-specific federal statutes, and state comprehensive privacy laws. Global and domestic regulations governing privacy and data practices are evolving rapidly, and new or amended privacy laws have been proposed or adopted in Canada and in the U.S. at the federal level, in multiple Canadian provinces, as well as in U.S. states and local jurisdictions. These laws impose significant obligations, limitations on the use of personal information, fines and/or penalties, and often have short implementation timelines. Our data governance framework must not only meet applicable privacy requirements, but also be able to evolve for continuous improvement. Effective data governance is also a component of good sustainability practices, which are considered an increasingly important measure of corporate performance and value creation.

Failure to implement an effective data governance framework encompassing the protection and appropriate use of data across its life cycle, and incorporating data governance as a core consideration in our business initiatives and technology decisions, including AI-enabled solutions and partnerships, could harm our brand, reputation, and competitiveness; decrease customer and investor confidence; and adversely affect our business and financial results. It could give rise to litigation, investigations, fines and/or penalties, and liability for failure to comply with increasingly stringent privacy legislation, as well as increased audit and regulatory scrutiny that could divert resources from business operations.

Additionally, we have implemented an AI governance framework, and we seek to ensure the responsible development, procurement, and use of AI technologies by adhering to the guiding principles outlined in our Responsible AI Policy.

4 Consolidated financial analysis

Our financial resources

This section provides detailed information and analysis about BCE's performance in 2025 compared with 2024. It focuses on BCE's consolidated operating results and provides financial information for our Bell CTS Canada, Bell CTS U.S. and Bell Media business segments. For further discussion and analysis of our business segments, refer to section 5, *Business segment analysis*.

4.1 Introduction

BCE consolidated income statements

	2025	2024	$ change	% change
Operating revenues				
Service	**21,207**	21,073	134	0.6%
Product	**3,261**	3,336	(75)	(2.2%)
Total operating revenues	**24,468**	24,409	59	0.2%
Operating costs	**(13,810)**	(13,820)	10	0.1%
Adjusted EBITDA	**10,658**	10,589	69	0.7%
Adjusted EBITDA margin (1)	***43.6%***	*43.4%*		*0.2 pts*
Severance, acquisition and other costs	**(517)**	(454)	(63)	(13.9%)
Depreciation	**(3,861)**	(3,758)	(103)	(2.7%)
Amortization	**(1,377)**	(1,283)	(94)	(7.3%)
Finance costs				
Interest expense	**(1,775)**	(1,713)	(62)	(3.6%)
Net return on post-employment benefit plans	**102**	66	36	54.5%
Impairment of assets	**(1,027)**	(2,190)	1,163	53.1%
Net gains on investments	**5,217**	57	5,160	n.m.
Other income (expense)	**287**	(362)	649	n.m.
Income taxes	**(1,193)**	(577)	(616)	n.m.
Net earnings	**6,514**	375	6,139	n.m.
Net earnings attributable to:				
Common shareholders	**6,305**	163	6,142	n.m.
Preferred shareholders	**155**	181	(26)	(14.4%)
NCI	**54**	31	23	74.2%
Net earnings	**6,514**	375	6,139	n.m.
Adjusted net earnings	**2,601**	2,773	(172)	(6.2%)
EPS	**6.79**	0.18	6.61	n.m.
Adjusted EPS	**2.80**	3.04	(0.24)	(7.9%)

n.m.: not meaningful

(1) Adjusted EBITDA margin is defined as adjusted EBITDA divided by operating revenues. Refer to section 11.6, *KPIs* in this MD&A for more information on this measure.

BCE statements of cash flows – selected information

	2025	2024	$ change	% change
Cash flows from operating activities	**6,993**	6,988	5	0.1%
Capital expenditures	**(3,700)**	(3,897)	197	5.1%
Free cash flow	**3,178**	2,888	290	10.0%

BCE operating revenues grew by 0.2% in 2025, compared to last year, from higher service revenues of 0.6%, partly offset by lower product revenues of 2.2%. The growth in service revenues was driven by the contribution from our new Bell CTS U.S segment, attributable to the acquisition of Ziply Fiber on August 1, 2025, coupled with the contribution from various other smaller acquisitions made in 2024 and 2025. Additionally, the year-over-year increase was led by higher Internet revenues reflecting the growth in our FTTP subscriber base, DTC streaming subscriber growth at Bell Media, along with higher digital video advertising revenues, and greater revenues from our AI-powered solutions business. (1) The growth in service revenues was moderated by the ongoing erosion in legacy voice, data and TV services and continued lower demand for traditional advertising. Wireless service revenues also declined year over year, due to greater competitive pricing pressures experienced throughout most of the year, although abating in the latter part of the year as wireless operating momentum improved. The decrease in product revenues was driven by lower wireless product revenues reflecting reduced consumer electronics sales due to permanent store closures of The Source in 2024.

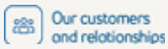
In 2025, net earnings increased by $6,139 million, compared to 2024, mainly due to higher net gains on investments resulting from the sale of our minority stake in MLSE, lower impairment of assets primarily in our Bell Media segment as well as higher other income, partly offset by higher income taxes and higher depreciation and amortization.

BCE adjusted EBITDA increased by 0.7% in 2025, compared to last year, driven by the contribution from our Bell CTS U.S. segment due to the acquisition of Ziply Fiber, as well as from an increase in our Bell Media segment, partly offset by a decline in our Bell CTS Canada segment. The year-over-year growth in adjusted EBITDA was driven by higher operating revenues coupled with lower operating expenses, reflecting cost reduction initiatives driven by workforce reductions and cost containment, including technology and automation-enabled operating efficiencies across the organization. This drove an adjusted EBITDA margin of 43.6% in 2025, up 0.2 pts over 2024.

In 2025, BCE's cash flows from operating activities increased by $5 million, compared to 2024, mainly due to higher cash from working capital and lower income taxes paid, partly offset by settlements on derivatives used to economically hedge equity settled share-based compensation plans, higher severance and other costs paid and higher interest paid.

Free cash flow increased by $290 million in 2025, compared to 2024, mainly due to lower capital expenditures.

4.2 Customer connections



Total BCE net activations (losses)

	2025	2024	% change
Mobile phone net subscriber activations	**214,551**	309,517	(30.7%)
Postpaid	***102,584***	*213,408*	*(51.9%)*
Prepaid	***111,967***	*96,109*	*16.5%*
Mobile connected device net subscriber activations	**324,002**	310,882	4.2%
Bell CTS retail high-speed Internet net subscriber activations	**53,959**	131,521	(59.0%)
Bell CTS Canada	***48,013***	*131,521*	*(63.5%)*
Bell CTS U.S.	***5,946***	–	*n.m.*
Bell CTS retail IPTV net subscriber (losses) activations	**(52,971)**	21,614	n.m.
Bell CTS Canada	***(52,721)***	*21,614*	*n.m.*
Bell CTS U.S.	***(250)***	–	*n.m.*
Bell CTS retail residential NAS lines net losses	**(181,197)**	(187,426)	3.3%
Bell CTS Canada	***(173,734)***	*(187,426)*	*7.3%*
Bell CTS U.S.	***(7,463)***	–	*n.m.*
Total services net activations	**358,344**	586,108	(38.9%)

n.m.: not meaningful

(1) AI-powered solutions revenues is comprised of revenues from Ateko, Bell Cyber, and Bell AI Fabric.

Total BCE customer connections

	2025	2024	% change
Mobile phone subscribers (2) (5) (6)	**10,451,584**	10,288,574	1.6%
Postpaid (2)	***9,581,479***	*9,530,436*	*0.5%*
Prepaid (5) (6)	***870,105***	*758,138*	*14.8%*
Mobile connected device subscribers (2)	**3,359,565**	3,043,430	10.4%
Bell CTS retail high-speed Internet subscribers (1) (3) (4) (6)	**4,890,602**	4,490,896	8.9%
Bell CTS Canada (4) (6)	***4,455,460***	*4,490,896*	*(0.8%)*
Bell CTS U.S. (1) (3)	***435,142***	–	*n.m.*
Retail IPTV subscribers (3) (4) (7)	**2,085,630**	2,132,953	(2.2%)
Bell CTS Canada (4) (7)	***2,079,791***	*2,132,953*	*(2.5%)*
Bell CTS U.S. (3)	***5,839***	–	*n.m.*
Retail residential NAS lines (1) (3) (4)	**1,722,178**	1,834,191	(6.1%)
Bell CTS Canada (4)	***1,646,307***	*1,834,191*	*(10.2%)*
Bell CTS U.S. (1) (3)	***75,871***	–	*n.m.*
Total services subscribers	**22,509,559**	21,790,044	3.3%

n.m.: not meaningful

(1) In Q4 2025, after a comprehensive review of Ziply Fiber subscriber accounts following our acquisition on August 1, 2025, we reduced our retail high-speed Internet and retail residential NAS subscriber bases, by 13,029 and 1,106 customers, respectively, to align with Bell methodology for customer deactivations.

(2) In Q3 2025, Bell CTS Canada reduced its postpaid mobile phone and connected device subscriber bases by 51,541 and 7,867, respectively, following a review of a public sector customer account to eliminate subscribers with no usage.

(3) In Q3 2025, as a result of the acquisition of Ziply Fiber on August 1, 2025, Bell CTS U.S. retail high-speed Internet, retail IPTV and retail residential NAS lines subscriber bases increased by 442,225, 6,089 and 84,440 subscribers, respectively.

(4) In Q1 2025, we reduced our retail high-speed Internet, retail IPTV and retail residential NAS lines subscriber bases by 80,666, 441 and 14,150 subscribers, respectively, in Bell CTS Canada as at March 31, 2025, as we stopped selling new plans for these services under the Distributel, Acanac, Oricom and B2B2C brands. Additionally, at the beginning of Q1 2025, we reduced our retail high-speed Internet subscriber base by 2,783 subscribers in Bell CTS Canada to adjust for prior year customer deactivations following a review of customer accounts.

(5) In Q4 2024, we removed 124,216 Bell prepaid mobile phone subscribers from our prepaid mobile phone subscriber base in Bell CTS Canada as at December 31, 2024, as we stopped selling new plans for this service as of that date.

(6) In Q3 2024, we removed 77,971 Virgin Plus prepaid mobile phone subscribers from our prepaid mobile phone subscriber base in Bell CTS Canada as at September 30, 2024, as we stopped selling new plans for this service as of that date. Additionally, as a result of a recent CRTC decision on wholesale high-speed Internet access services, we are no longer able to resell cable Internet services to new customers in our wireline footprint as of September 12, 2024, and consequently, in Bell CTS Canada, we removed all of the existing 106,259 cable subscribers in our wireline footprint from our retail high-speed Internet subscriber base as of that date.

(7) In Q2 2024, we increased our retail IPTV subscriber base by 40,997 in Bell CTS Canada to align the deactivation policy for our Fibe TV streaming services to our traditional Fibe TV service.

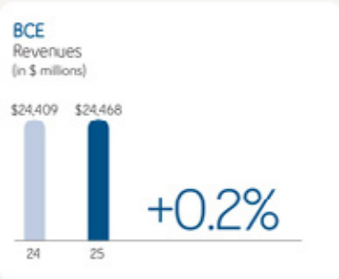
BCE total services net subscriber activations were 358,344 in 2025, down 38.9% compared to last year. The total services net subscriber activations in 2025 consisted of:

- 214,551 mobile phone net subscriber activations and 324,002 mobile connected device net subscriber activations
- 53,959 Bell CTS retail high-speed Internet net subscriber activations, composed of:
  - Bell CTS Canada net subscriber activations of 48,013
  - Bell CTS U.S. net subscriber activations of 5,946
- 52,971 Bell CTS retail IPTV net subscriber losses, composed of:
  - Bell CTS Canada net subscriber losses of 52,721
  - Bell CTS U.S. net subscriber losses of 250
- 181,197 Bell CTS retail residential NAS lines net losses, composed of:
  - Bell CTS Canada net losses of 173,734
  - Bell CTS U.S. net losses of 7,463

At December 31, 2025, BCE's customer connections totalled 22,509,559, up 3.3% year over year, and consisted of:

- 10,451,584 mobile phone subscribers, up 1.6% year over year, and 3,359,565 mobile connected device subscribers, up 10.4% year over year
- 4,890,602 Bell CTS retail high-speed Internet subscribers, up 8.9% year over year, composed of:
  - Bell CTS Canada subscribers of 4,455,460, down 0.8% year over year
  - Bell CTS U.S. subscribers of 435,142, compared to nil last year, as a result of the acquisition of Ziply Fiber on August 1, 2025
- 2,085,630 Bell CTS retail IPTV subscribers, down 2.2% year over year, composed of:
  - Bell CTS Canada subscribers of 2,079,791, down 2.5% year over year
  - Bell CTS U.S. subscribers of 5,839, compared to nil last year, as a result of the acquisition of Ziply Fiber
- 1,722,178 Bell CTS retail residential NAS lines, down 6.1% year over year, composed of:
  - Bell CTS Canada lines of 1,646,307, down 10.2% year over year
  - Bell CTS U.S. lines of 75,871, compared to nil in last year, as a result of the acquisition of Ziply Fiber

4.3 Operating revenues



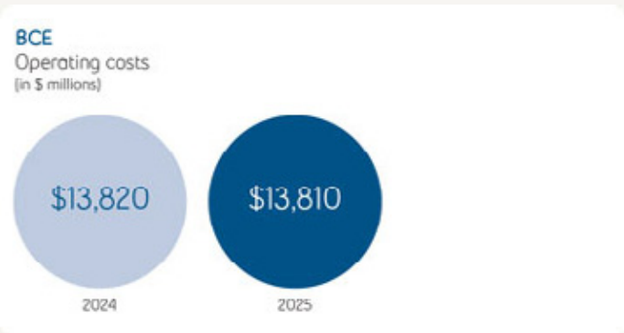
	2025	2024	$ change	% change
Bell CTS	**21,681**	21,619	62	0.3%
Bell CTS Canada	***21,289***	*21,619*	*(330)*	*(1.5%)*
Bell CTS U.S.	***392***	–	*392*	*n.m.*
Bell Media	**3,154**	3,151	3	0.1%
Inter-segment eliminations	**(367)**	(361)	(6)	(1.7%)
Total BCE operating revenues	**24,468**	24,409	59	0.2%

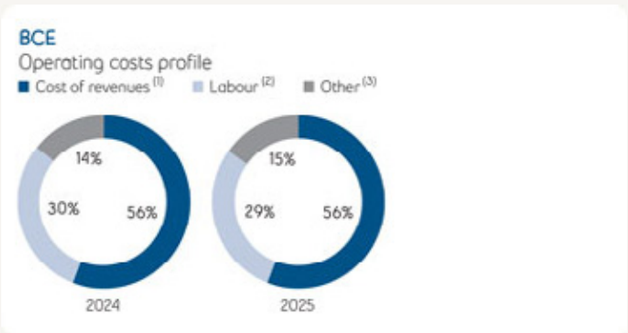
n.m.: not meaningful

BCE

BCE operating revenues increased by 0.2% in 2025, compared to last year, reflecting service revenues of $21,207 million, up 0.6% year over year and product revenues of $3,261 million, down 2.2% year over year. The growth in BCE operating revenues was driven by an increase in Bell CTS of 0.3% as a result of the contribution from our new Bell CTS U.S. segment of $392 million, due to the acquisition of Ziply Fiber on August 1, 2025, moderated by a decline in our Bell CTS Canada segment of 1.5%, along with a modest increase in revenues from our Bell Media segment of 0.1%.

4.4 Operating costs





	2025	2024	$ change	% change
Bell CTS	**(11,805)**	(11,788)	(17)	(0.1%)
Bell CTS Canada	***(11,584)***	*(11,788)*	*204*	*1.7%*
Bell CTS U.S.	***(221)***	–	*(221)*	*n.m.*
Bell Media	**(2,372)**	(2,393)	21	0.9%
Inter-segment eliminations	**367**	361	6	1.7%
Total BCE operating costs	**(13,810)**	(13,820)	10	0.1%

n.m.: not meaningful

(1) Cost of revenues includes costs of wireless devices and other equipment sold, network and content costs, and payments to other carriers.

(2) Labour costs (net of capitalized costs) include wages, salaries and related taxes and benefits, post-employment benefit plans service cost, and other labour costs, including contractor and outsourcing costs.

(3) Other operating costs include marketing, advertising and sales commission costs, bad debt expense, taxes other than income taxes, IT costs, professional service fees and rent.

BCE

BCE operating costs remained relatively stable year over year, decreasing by 0.1% in 2025, compared to 2024, driven by lower costs in Bell Media of 0.9%, moderated by higher expenses in Bell CTS of 0.1%, due to greater costs from Bell CTS U.S. of $221 million, reflecting the operating costs of Ziply Fiber as a result of the acquisition on August 1, 2025, partly offset by reduced costs in Bell CTS Canada of 1.7%.

4.5 Net earnings

In 2025, net earnings increased by $6,139 million, compared to 2024, mainly due to higher net gains on investments resulting from the sale of our minority stake in MLSE, lower impairment of assets primarily in our Bell Media segment as well as higher other income, partly offset by higher income taxes and higher depreciation and amortization.

4.6 Adjusted EBITDA

	2025	2024	$ change	% change
Bell CTS [1]	**9,876**	9,831	45	0.5%
Adjusted EBITDA margin	***45.6%***	*45.5%*		*0.1 pts*
Bell CTS Canada	**9,705**	9,831	(126)	(1.3%)
Adjusted EBITDA margin	***45.6%***	*45.5%*		*0.1 pts*
Bell CTS U.S.	**171**	–	171	n.m.
Adjusted EBITDA margin	***43.6%***	–		*43.6 pts*
Bell Media	**782**	758	24	3.2%
Adjusted EBITDA margin	***24.8%***	*24.1%*		*0.7 pts*
Total BCE adjusted EBITDA	**10,658**	10,589	69	0.7%
Adjusted EBITDA margin	***43.6%***	*43.4%*		*0.2 pts*

n.m.: not meaningful

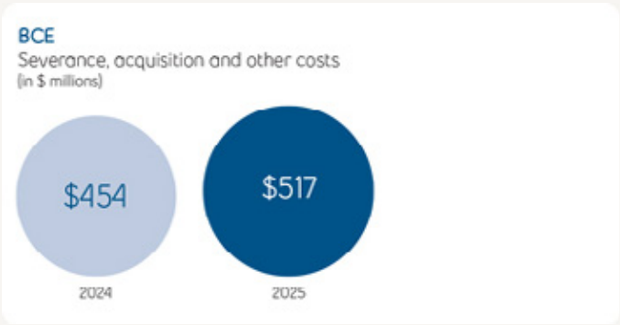
(1) Bell CTS adjusted EBITDA is a total of segments measure. See section 11.3, *Total of segments measures* in this MD&A for more information on this measure.

BCE

BCE adjusted EBITDA increased by 0.7% in 2025, compared to last year, due to higher operating revenues and lower operating costs. The growth was driven by an increase in Bell CTS of 0.5% due to the contribution from our Bell CTS U.S. segment of $171 million as a result of the acquisition of Ziply Fiber on August 1, 2025, partly offset by a decline in our Bell CTS Canada segment of 1.3%, along with an increase in our Bell Media segment of 3.2%. This drove an adjusted EBITDA margin of 43.6% in 2025 up 0.2 pts over 2024, resulting from cost reduction initiatives, mainly attributable to workforce reductions, cost containment and other operating efficiencies.

4.7 Severance, acquisition and other costs

This category includes various income and expenses that are not related directly to the operating revenues generated during the year. This includes severance costs consisting of charges related to involuntary and voluntary employee terminations, as well as transaction costs, such as legal and financial advisory fees, related to completed or potential acquisitions, employee severance costs related to the purchase of a business, the costs to integrate acquired companies into our operations, costs related to litigation and regulatory decisions, when they are significant, and other costs.



2025

Severance, acquisition and other costs included:

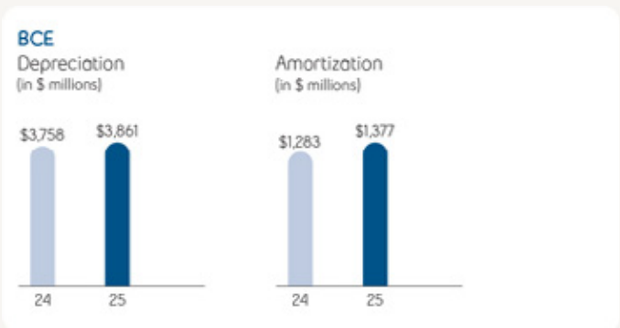
- Severance costs of $380 million related to involuntary and voluntary employee terminations
- Acquisition and other costs of $137 million, including costs to acquire Ziply Fiber of $67 million

2024

Severance, acquisition and other costs included:

- Severance costs of $383 million related to involuntary and voluntary employee terminations
- Acquisition and other costs of $71 million

4.8 Depreciation and amortization



The amount of our depreciation and amortization in any year is affected by:

- *How much we invested in new property, plant and equipment and intangible assets in previous years*
- *How many assets we retired during the year*
- *Estimates of the useful lives of assets*

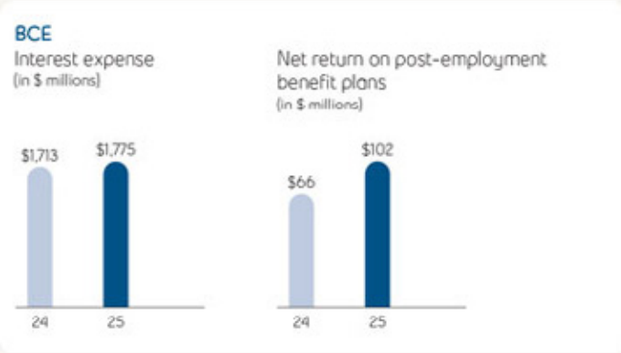
Depreciation

Depreciation in 2025 increased by $103 million, compared to 2024, mainly due to a higher asset base as a result of the acquisition of Ziply Fiber on August 1, 2025.

Amortization

Amortization in 2025 increased by $94 million, compared to 2024, mainly due to a higher asset base and as a result of the acquisition of Ziply Fiber on August 1, 2025.

4.9 Finance costs



Interest expense

Interest expense in 2025 increased by $62 million, compared to 2024, mainly due to higher debt balances as a result of the acquisition of Ziply Fiber on August 1, 2025 and higher average cost of debt.

Net return on post-employment benefit plans

Net return on our post-employment benefit plans is based on market conditions that existed at the beginning of the year as well as the net post-employment benefit plan asset (liability). On January 1, 2025, the discount rate was 4.7% compared to 4.6% on January 1, 2024.

In 2025, net return on post-employment benefit plans increased by $36 million, compared to last year, as a result of a higher discount rate in 2025 and a higher net asset position.

The impacts of changes in market conditions during the year are recognized in *Other comprehensive income (OCI)*.

4.10 Impairment of assets

2025

During the third quarter of 2025, we identified indicators of impairment for our Bell Media TV services, radio markets and OOH advertising business, due to a decline in legacy advertising demand and spending in the linear advertising market as we transition to digital. Accordingly, impairment testing was required for certain groups of cash-generating units (CGUs) as well as for goodwill for the Bell Media group of CGUs.

We recognized $976 million of impairment charges for English and French TV services, radio markets and our OOH advertising business within our Bell Media segment. These charges included $554 million allocated to indefinite-life intangible assets for broadcast licences, spectrum and other licences and brands, $250 million allocated to program and feature film rights, $103 million allocated to property, plant and equipment for network, infrastructure and equipment and assets under construction, $47 million allocated to software, $18 million allocated to prepaid expenses and inventory, and $4 million allocated to finite-life intangible assets mainly for trademarks.

There was no impairment of Bell Media goodwill.

We recorded $51 million of additional impairment charges in 2025 related to various assets within our Bell CTS Canada segment.

2024

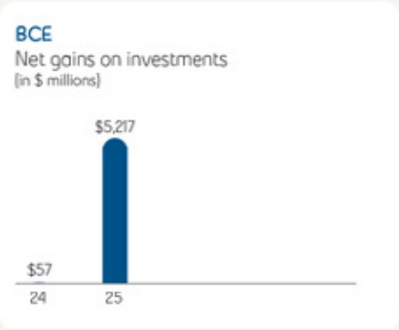
During the third quarter of 2024, we identified indicators of impairment for our Bell Media TV services and radio markets, due to a further decline in advertising demand and spending in the linear advertising market. Accordingly, impairment testing was required for certain groups of CGUs as well as for goodwill for the Bell Media group of CGUs.

We recognized $958 million of impairment charges for English and French TV services and radio markets within our Bell Media segment. These charges included $627 million allocated to indefinite-life intangible assets for broadcast licences and brands, $144 million allocated to program and feature film rights, $85 million allocated to property, plant and equipment for network and infrastructure and equipment, $85 million allocated to software, $10 million allocated to finite-life intangible assets mainly for trademarks, and $7 million allocated to prepaid expenses.

In Q3 2024, we recorded $1,132 million of impairment charges for goodwill at Bell Media.

Additionally in 2024, we recorded impairment charges of $100 million related mainly to right-of-use assets for certain office spaces we ceased using as part of our real estate optimization strategy as a result of our hybrid work policy.

4.11 Net gains on investments



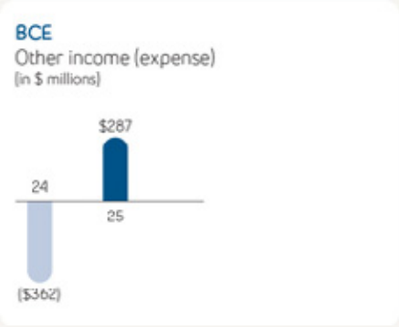
2025

Net gains on investments of $5,217 million included a $5.2 billion gain on sale of our minority stake in MLSE on July 1, 2025.

2024

Net gains on investments of $57 million included a gain of $69 million related to an obligation to repurchase at fair value the minority interest in one of our subsidiaries.

4.12 Other income (expense)



Other income (expense) includes income and expense items, such as:

- *Net mark-to-market gains or losses on derivatives used to economically hedge equity settled share-based compensation plans*
- *Equity income or losses from investments in associates and joint ventures*
- *Gains or losses on retirements and disposals of property, plant and equipment and intangible assets*
- *Net early debt redemption gains or costs*
- *Interest income*

For the year ended December 31	2025	2024
Net early debt redemption gains	**249**	–
Interest income	**79**	123
Equity income (losses) from investments in associates and joint ventures		
Loss on investment	**–**	(247)
Operations	**8**	10
Losses on retirements and disposals of property, plant and equipment and intangible assets	**(26)**	(38)
Net mark-to-market losses on derivatives used to economically hedge equity settled share-based compensation plans	**(9)**	(269)
Other	**(14)**	59
Total other income (expense)	**287**	(362)

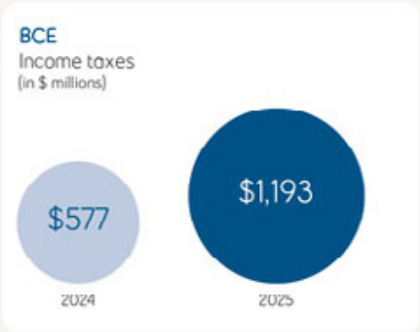
2025

Other income of $287 million included early debt redemption gains due to the repurchase by Bell Canada, as a result of its cash tender offers, of a portion of its Series M-39, M-45, M-51 and M-55 MTN debentures, and a portion of its Series US-2, US-4, US-5, US-6, and US-7 Notes, and interest income, partly offset by early debt redemption costs due to the redemption by Bell Canada of the outstanding principal amount of the Secured Fiber Network Revenue Term Notes (Term Notes) originally issued by Ziply Fiber.

2024

Other expense of $362 million included net mark-to-market losses on derivatives used to economically hedge equity settled share-based compensation plans and losses on our equity investments in associates and joint ventures which included a loss on BCE's share of an obligation to repurchase at fair value the minority interest in MLSE, partly offset by interest income.

4.13 Income taxes



The following table reconciles the amount of reported income taxes in the consolidated income statements (income statements) with income taxes calculated at a statutory income tax rate of 26.8% for both 2025 and 2024.

For the year ended December 31	2025	2024
Net earnings	**6,514**	375
Add back income taxes	**1,193**	577
Earnings before income taxes	**7,707**	952
Applicable statutory tax rate	**26.8%**	26.8%
Income taxes computed at applicable statutory rates	**(2,065)**	(255)
Non-taxable portion of net gains on investments	**850**	18
Uncertain tax positions	**22**	4
Impairment of goodwill	**–**	(303)
Change in estimate relating to prior periods	**–**	1
Non-taxable portion of equity losses	**–**	(66)
Previously unrecognized tax benefits	**–**	3
Other	**–**	21
Total income taxes	**(1,193)**	(577)
Average effective tax rate	**15.5%**	60.6%

Income taxes in 2025 increased by $616 million, compared to 2024, mainly due to higher taxable income in 2025 as a result of the gain on sale of $5.2 billion that was recorded on the disposition of our minority stake in MLSE.

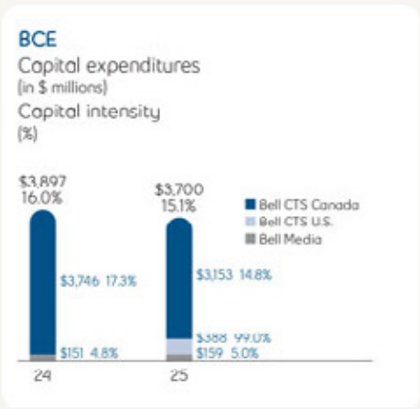
4.14 Net earnings attributable to common shareholders and EPS

Net earnings attributable to common shareholders in 2025 increased by $6,142 million, or $6.61 per common share, compared to 2024, mainly due to higher net gains on investments resulting from the sale of our minority stake in MLSE, lower impairment of assets primarily in our Bell Media segment as well as higher other income, partly offset by higher income taxes and higher depreciation and amortization.

Excluding the impact of severance, acquisition and other costs, net mark-to-market gains (losses) on derivatives used to economically hedge equity settled share-based compensation plans, net equity gains (losses) on investments in associates and joint ventures, net gains (losses) on investments, net early debt redemption gains (costs) and impairment of assets, net of tax and NCI, adjusted net earnings in 2025 was $2,601 million, or $2.80 per common share, compared to $2,773 million, or $3.04 per common share, in 2024.

4.15 Capital expenditures

Our networks



BCE capital expenditures of $3,700 million in 2025, declined by $197 million, compared to 2024, along with a corresponding capital intensity ratio of 15.1%, down 0.9 pts over last year. The year-over-year decline was consistent with a planned reduction in capital spending in Bell CTS Canada, primarily from slower FTTP footprint expansion in Canada, partly as a result of regulatory decisions that discourage network investment. The decline in capital spending was partly offset by capital investments in our new Bell CTS U.S. segment as a result of the acquisition of Ziply Fiber on August 1, 2025. Capital investments were focused on the continued expansion of Ziply Fiber's FTTP network in the U.S.

4.16 Cash flows

In 2025, BCE's cash flows from operating activities increased by $5 million, compared to 2024, mainly due to higher cash from working capital and lower income taxes paid, partly offset by settlements on derivatives used to economically hedge equity settled share-based compensation plans, higher severance and other costs paid and higher interest paid.

Free cash flow increased by $290 million in 2025, compared to 2024, mainly due to lower capital expenditures.

5 Business segment analysis

Our networks | Our customers and relationships | Our products and services | Our financial resources

5.1 Bell CTS

Financial performance analysis

2025 performance highlights

Total mobile phone subscriber growth [2] [5] [6]
+1.6%
in 2025

Mobile phone postpaid net subscriber activations in 2025
102,584
Decreased (51.9%) vs. 2024

Mobile phone prepaid net subscriber activations in 2025
111,967
Increased 16.5% vs. 2024

Mobile phone postpaid churn in 2025
1.22%
Improved 0.11 pts vs. 2024

Mobile phone blended average revenue per user (ARPU) [2] [5] [6] [8] **per month**
(0.9%)
2025: $57.36
2024: $57.90

Retail high-speed Internet subscriber growth (decline) in 2025

Bell CTS [1] [3] [4] [6]	+8.9%
Bell CTS Canada [4] [6]	(0.8%)
Bell CTS U.S. [1] [3]	n.m.

Retail IPTV subscriber decline in 2025

Bell CTS [3] [4] [7]	(2.2%)
Bell CTS Canada [4] [7]	(2.5%)
Bell CTS U.S. [2]	n.m.

Retail residential NAS lines decline in 2025

Bell CTS [1] [3] [4]	(6.1%)
Bell CTS Canada [4]	(10.2%)
Bell CTS U.S. [1] [3]	n.m.

Retail high-speed Internet net subscriber activations in 2025

Bell CTS	53,959 Decreased (59.0%) vs. 2024
Bell CTS Canada	48,013 Decreased (63.5%) vs. 2024
Bell CTS U.S.	5,946 nil in 2024

Retail IPTV net subscriber losses in 2025

Bell CTS	(52,971) vs. net activations of 21,614 in 2024
Bell CTS Canada	(52,721) vs. net activations of 21,614 in 2024
Bell CTS U.S.	(250) nil in 2024

Retail residential NAS lines net losses in 2025

Bell CTS	(181,197) Decreased 3.3% vs. 2024
Bell CTS Canada	(173,734) Decreased 7.3% vs. 2024
Bell CTS U.S.	(7,463) nil in 2024

(1) In Q4 2025, after a comprehensive review of Ziply Fiber subscriber accounts following our acquisition on August 1, 2025, we reduced our retail high-speed Internet and retail residential NAS subscriber bases, by 13,029 and 1,106 customers, respectively, to align with Bell methodology for customer deactivations.

(2) In Q3 2025, Bell CTS Canada reduced its postpaid mobile phone and connected device subscriber bases by 51,541 and 7,867, respectively, following a review of a public sector customer account to eliminate subscribers with no usage.

(3) In Q3 2025, as a result of the acquisition of Ziply Fiber on August 1, 2025, Bell CTS U.S. retail high-speed Internet, retail IPTV and retail residential NAS lines subscriber bases increased by 442,225, 6,089 and 84,440 subscribers, respectively.

(4) In Q1 2025, we reduced our retail high-speed Internet, retail IPTV and retail residential NAS lines subscriber bases by 80,666, 441 and 14,150 subscribers, respectively, in Bell CTS Canada as at March 31, 2025, as we stopped selling new plans for these services under the Distributel, Acanac, Oricom and B2B2C brands. Additionally, at the beginning of Q1 2025, we reduced our retail high-speed Internet subscriber base by 2,783 subscribers in Bell CTS Canada to adjust for prior year customer deactivations following a review of customer accounts.

(5) In Q4 2024, we removed 124,216 Bell prepaid mobile phone subscribers from our prepaid mobile phone subscriber base in Bell CTS Canada as at December 31, 2024, as we stopped selling new plans for this service as of that date.

(6) In Q3 2024, we removed 77,971 Virgin Plus prepaid mobile phone subscribers from our prepaid mobile phone subscriber base in Bell CTS Canada as at September 30, 2024, as we stopped selling new plans for this service as of that date. Additionally, as a result of a recent CRTC decision on wholesale high-speed Internet access services, we are no longer able to resell cable Internet services to new customers in our wireline footprint as of September 12, 2024, and consequently, in Bell CTS Canada, we removed all of the existing 106,259 cable subscribers in our wireline footprint from our retail high-speed Internet subscriber base as of that date.

(7) In Q2 2024, we increased our retail IPTV subscriber base by 40,997 in Bell CTS Canada to align the deactivation policy for our Fibe TV streaming services to our traditional Fibe TV service.

(8) Mobile phone blended ARPU is defined as Bell CTS Canada wireless external services revenues divided by the average mobile phone subscriber base for the specified period, expressed as a dollar unit per month. Refer to section 11.6, *KPIs* in this MD&A for more information on this measure.

Revenues

Bell CTS

	2025	2024	$ change	% change
Wireless	**7,118**	7,149	(31)	(0.4%)
Wireline data	**8,441**	8,117	324	4.0%
Wireline voice	**2,520**	2,672	(152)	(5.7%)
Other wireline services	**313**	318	(5)	(1.6%)
External service revenues	**18,392**	18,256	136	0.7%
Inter-segment service revenues	**28**	27	1	3.7%
Operating service revenues	**18,420**	18,283	137	0.7%
Wireless	**2,634**	2,715	(81)	(3.0%)
Wireline	**627**	621	6	1.0%
External/operating product revenues	**3,261**	3,336	(75)	(2.2%)
Total external revenues	**21,653**	21,592	61	0.3%
Total operating revenues	**21,681**	21,619	62	0.3%

Bell CTS operating revenues increased by 0.3% in 2025, compared to 2024, due to the contribution from Bell CTS U.S. of $392 million as a result of the acquisition of Ziply Fiber on August 1, 2025, partly offset by a year-over-year decline in Bell CTS Canada of 1.5%. The year-over-year revenue growth was driven by higher service revenues, moderated by lower product revenues.

Bell CTS Canada

	2025	2024	$ change	% change
Wireless	**7,118**	7,149	(31)	(0.4%)
Wireline data	**8,119**	8,117	2	–
Wireline voice	**2,450**	2,672	(222)	(8.3%)
Other wireline services	**313**	318	(5)	(1.6%)
External service revenues	**18,000**	18,256	(256)	(1.4%)
Inter-segment service revenues	**28**	27	1	3.7%
Operating service revenues	**18,028**	18,283	(255)	(1.4%)
Wireless	**2,634**	2,715	(81)	(3.0%)
Wireline	**627**	621	6	1.0%
External/operating product revenues	**3,261**	3,336	(75)	(2.2%)
Total external revenues	**21,261**	21,592	(331)	(1.5%)
Total operating revenues	**21,289**	21,619	(330)	(1.5%)

Bell CTS Canada operating revenues decreased by 1.5% in 2025, compared to last year, from both lower service and product revenues. The service revenues decline was driven by ongoing erosion in wireline voice revenues and lower wireless revenues, while wireline data revenues remained essentially stable year over year.

Bell CTS Canada operating service revenues declined by 1.4% in the year, compared to 2024.

- **Wireless revenues** decreased by 0.4% in 2025, compared to last year, driven by:
  - Competitive pricing pressures throughout most of the year, abating in the latter part, and greater discounting
  - Lower data overages driven by increased customer adoption of monthly plans with higher data thresholds, including unlimited plans
  - Lower roaming revenues mainly from reduced travel to the U.S.

  These factors were partly offset by:
  - Continued growth in our mobile phone and connected device average subscriber bases coupled with the flow-through of rate increases
  - Revenues related to the 2025 G7 Summit
- **Wireline data revenues** were essentially stable year over year, compared to 2024, mainly driven by:
  - Higher Internet revenues reflecting growth in our FTTP subscriber base coupled with the flow-through of rate increases, moderated by greater acquisition, retention and bundle discounts
  - Greater revenues from our AI-powered solutions business driven by growth in Bell Cyber, our cyber security business, and Ateko, our Systems Integrator and Managed Services practice, including the impact of small acquisitions made in 2024 and 2025
  - Higher radio services sales to the government sector

  These factors were offset by:
  - Lower TV revenues, mainly due to the erosion of our TV subscriber bases and lower IP broadband and legacy data revenues
- **Wireline voice revenues** decreased by 8.3% in 2025, compared to 2024, primarily due to:
  - Ongoing retail residential NAS lines erosion, coupled with business voice declines, driven by technological substitution to wireless and Internet-based services unfavourably impacting local and access and long distance revenues
  - Higher acquisition, retention and bundle discounts on residential services

  These factors were partly offset by:
  - Flow-through of residential rate increases

Bell CTS Canada operating product revenues decreased by 2.2% in 2025, compared to last year.

- **Wireless operating product revenues** decreased by 3.0% in 2025, compared to 2024, from reduced consumer electronics sales due to permanent store closures of The Source, and lower device sales to the government sector, partly offset by higher wireless device sales to consumers mainly from greater upgrade volumes and favourable rate impact due to lower discounting
- **Wireline operating product revenues** grew by 1.0%, compared to the same period last year, driven by the delivery of our first AI facility in Kamloops, B.C. in Q2 2025, along with greater product sales in Bell Cyber, partly offset by lower land mobile radio systems sales to the government sector and reduced equipment sales to large business customers

Bell CTS U.S.

	2025	2024	$ change	% change
Wireline data	**322**	–	322	n.m.
Wireline voice	**70**	–	70	n.m.
Total external/operating revenues	**392**	–	392	n.m.

n.m.: not meaningful

Bell CTS U.S. operating revenues were $392 million in 2025, compared with nil in 2024, due to the acquisition of Ziply Fiber on August 1, 2025. The operating revenues were comprised of service revenues, mainly from wireline data and voice.

- **Wireline data revenues** totalled $322 million in 2025, compared to nil last year and mainly consisted of:
  - Internet revenues generated from residential, business and wholesale broadband Internet services primarily delivered over Ziply Fiber's fibre network which benefited from the continued expansion of their FTTP footprint
  - IP broadband revenues derived from the sale of commercial ethernet, dedicated Internet/non-switched access, and other data transport networking options
  - Modest TV revenues from the sale of IPTV service
- **Wireline voice revenues** were $70 million in 2025, compared with nil in 2024. These revenues included traditional local and long distance wireline services, VoIP services, and a number of unified messaging services. Voice revenues were unfavourably impacted by ongoing losses due to technological substitution to wireless and Internet-based services.

Operating costs and adjusted EBITDA

	2025	2024	$ change	% change
Bell CTS operating costs	**(11,805)**	(11,788)	(17)	(0.1%)
Bell CTS Canada	***(11,584)***	*(11,788)*	*204*	*1.7%*
Bell CTS U.S.	***(221)***	*–*	*(221)*	*n.m.*
Bell CTS adjusted EBITDA	**9,876**	9,831	45	0.5%
Margin	**45.6%**	45.5%		0.1 pts
Bell CTS Canada	***9,705***	*9,831*	*(126)*	*(1.3%)*
Margin	***45.6%***	*45.5%*		*0.1 pts*
Bell CTS U.S.	***171***	*–*	*171*	*n.m.*
Margin	***43.6%***	*–*		*43.6 pts*

n.m.: not meaningful

Bell CTS operating costs increased by 0.1% in 2025, compared to last year, due to greater costs from Bell CTS U.S. of $221 million, reflecting the operating expenses of Ziply Fiber as a result of the acquisition on August 1, 2025, partly offset by lower costs in Bell CTS Canada of 1.7%.

Bell CTS Canada operating costs decreased by 1.7% in 2025, compared to last year, due to:

- Cost reduction initiatives attributable to workforce reductions, savings from our customer service centres driven by improved call placement and reduced call volumes, permanent closures of The Source stores, as well as various other cost containment initiatives across the organization including, technology and automation-enabled operating efficiencies
- Lower cost of goods sold associated with reduced product revenues
- Decreased TV programming costs related to the lower revenues

These factors were partly offset by:

- Greater commissions, payments to other carriers and bad debt expense
- Increased expenses related to the revenues generated from the 2025 G7 summit, growth from our Bell AI-powered solutions business and from small acquisitions made in 2024 and 2025

Bell CTS U.S. operating costs were $221 million in 2025, compared with nil last year, reflecting the operating costs of Ziply Fiber due to the acquisition on August 1, 2025. The costs predominantly consisted of labour expenses, network-related costs, payments to other carriers, regulatory costs and various administrative and marketing costs. The expenses reflected operating efficiencies, primarily from simplification of systems and processes, as well as lower call volumes despite the expanding customer base.

Bell CTS adjusted EBITDA increased by 0.5% in 2025, compared to 2024, attributable to the contribution from Bell CTS U.S. of $171 million as a result of the acquisition of Ziply Fiber on August 1, 2025, partly offset by a decline in Bell CTS Canada of 1.3%. The year-over-year adjusted EBITDA growth was driven by higher operating revenues, partly offset by increased operating costs. Bell CTS adjusted EBITDA margin of 45.6% in 2025, remained essentially stable compared to the 2024 EBITDA margin of 45.5%.

Bell CTS Canada adjusted EBITDA decreased by 1.3% in 2025, compared to 2024, due to lower operating revenues, partly offset by reduced operating expenses. Adjusted EBITDA margin of 45.6% in 2025, remained essentially stable compared to 45.5% in 2024.

Bell CTS U.S. adjusted EBITDA was $171 million in 2025, compared to nil last year, due to the acquisition of Ziply Fiber on August 1, 2025. This corresponded to an adjusted EBITDA margin of 43.6%.

Bell CTS operating metrics

Wireless

	2025	2024	Change	% change
Mobile phones				
Blended ARPU (1) (2) (3) ($/month)	**57.36**	57.90	(0.54)	(0.9%)
Gross subscriber activations	**2,125,363**	2,351,507	(226,144)	(9.6%)
Postpaid	***1,428,620***	*1,641,053*	*(212,433)*	*(12.9%)*
Prepaid	***696,743***	*710,454*	*(13,711)*	*(1.9%)*
Net subscriber activations	**214,551**	309,517	(94,966)	(30.7%)
Postpaid	***102,584***	*213,408*	*(110,824)*	*(51.9%)*
Prepaid	***111,967***	*96,109*	*15,858*	*16.5%*
Blended churn % (average per month)	**1.56%**	1.67%		0.11 pts
Postpaid	***1.22%***	*1.33%*		*0.11 pts*
Prepaid	***5.47%***	*5.28%*		*(0.19) pts*
Subscribers (1) (2) (3)	**10,451,584**	10,288,574	163,010	1.6%
Postpaid (1)	***9,581,479***	*9,530,436*	*51,043*	*0.5%*
Prepaid (2) (3)	***870,105***	*758,138*	*111,967*	*14.8%*
Mobile connected devices				
Net subscriber activations	**324,002**	310,882	13,120	4.2%
Subscribers (1)	**3,359,565**	3,043,430	316,135	10.4%

(1) In Q3 2025, Bell CTS Canada reduced its postpaid mobile phone and connected device subscriber bases by 51,541 and 7,867, respectively, following a review of a public sector customer account to eliminate subscribers with no usage.

(2) In Q4 2024, we removed 124,216 Bell prepaid mobile phone subscribers from our prepaid mobile phone subscriber base in Bell CTS Canada as at December 31, 2024, as we stopped selling new plans for this service as of that date.

(3) In Q3 2024, we removed 77,971 Virgin Plus prepaid mobile phone subscribers from our prepaid mobile phone subscriber base in Bell CTS Canada as at September 30, 2024, as we stopped selling new plans for this service as of that date.

Mobile phone blended ARPU of $57.36 in 2025, declined 0.9%, compared to last year, attributable to:

- Competitive pricing pressures throughout most of the year, abating in the latter part, and greater discounting
- Lower data overages due to greater customer adoption of monthly plans with higher data thresholds, including unlimited plans
- Decreased roaming revenues mainly due to reduced travel to the U.S.

These factors were partly offset by:

- Flow-through of rate increases
- The favourable impact from 2024 adjustments to our mobile phone prepaid subscriber base and Q3 2025 adjustment to our mobile phone postpaid subscriber base to remove 202,187 and 51,541 subscribers, respectively
- Revenues related to the G7 Summit in Q2 2025

Mobile phone gross subscriber activations decreased by 9.6% in 2025, compared to last year, due to both lower postpaid and prepaid gross subscriber activations.

- **Mobile phone postpaid gross subscriber activations** declined by 12.9% in 2025, compared to 2024, driven by lower market activity, slowing population growth mainly attributable to government immigration policies, fewer lower-value bring-your-own-device (BYOD) activations and reflects our focus on higher-value subscriber loadings led by growth in our Bell brand
- **Mobile phone prepaid gross subscriber activations** decreased by 1.9% in 2025, compared to last year, due to slowing population growth, mainly from lower immigration, partly offset by effective Lucky Mobile promotional offers

Mobile phone net subscriber activations decreased by 30.7% in 2025, compared to 2024, due to lower postpaid net subscriber activations, partly offset by higher prepaid net subscriber activations.

- **Mobile phone postpaid net subscriber activations** decreased by 51.9% in the year, compared to 2024, due to lower gross subscriber activations, partly offset by reduced subscriber deactivations
- **Mobile phone prepaid net subscriber activations** increased by 16.5% in 2025, compared to 2024, due to lower subscriber deactivations, partly offset by lower gross subscriber activations

Mobile phone blended churn of 1.56% in 2025, decreased by 0.11 pts, compared to 2024.

- **Mobile phone postpaid churn** of 1.22% in 2025, decreased by 0.11 pts, compared to last year, benefiting from our greater investment in customer retention and improvements to customer service
- **Mobile phone prepaid churn** of 5.47% in 2025 increased by 0.19 pts, compared to 2024, due to greater market activity, as well as the impact of the 2024 adjustments to our mobile phone prepaid subscriber base to remove 202,187 subscribers

Mobile phone subscribers at December 31, 2025 totalled 10,451,584, an increase of 1.6%, from 10,288,574 subscribers reported at the end of 2024. This consisted of 9,581,479 postpaid subscribers, an increase of 0.5% from 9,530,436 subscribers reported at the end of 2024, and 870,105 prepaid subscribers, an increase of 14.8% from 758,138 subscribers reported at the end of 2024. In Q3 2025, we reduced our postpaid mobile phone subscriber base by 51,541, following a review of a public sector customer account to eliminate subscribers with no usage.

Mobile connected device net subscriber activations increased by 4.2% in 2025, compared to last year, mainly due to lower data devices net losses and greater Connected Car net activations, partly offset by lower business IoT net activations.

Mobile connected device subscribers at December 31, 2025 totalled 3,359,565 up 10.4% from 3,043,430 subscribers reported at the end of 2024. In Q3 2025, we reduced our connected device subscriber base by 7,867, following a review of a public sector customer account to eliminate subscribers with no usage.

Wireline data

Retail high-speed Internet

	2025	2024	Change	% change
Bell CTS retail high-speed Internet net subscriber activations	**53,959**	131,521	(77,562)	(59.0%)
Bell CTS Canada	***48,013***	*131,521*	*(83,508)*	*(63.5%)*
Bell CTS U.S.	***5,946***	–	*5,946*	*n.m.*
Bell CTS retail high–speed Internet subscribers (1) (2) (3) (4)	**4,890,602**	4,490,896	399,706	8.9%
Bell CTS Canada (3) (4)	***4,455,460***	*4,490,896*	*(35,436)*	*(0.8%)*
Bell CTS U.S. (1) (2)	***435,142***	–	*435,142*	*n.m.*

n.m.: not meaningful

(1) In Q4 2025, after a comprehensive review of Ziply Fiber subscriber accounts following our acquisition on August 1, 2025, we reduced our retail high-speed Internet subscriber base by 13,029 customers to align with Bell methodology for customer deactivations.

(2) In Q3 2025, as a result of the acquisition of Ziply Fiber on August 1, 2025, Bell CTS U.S. retail high-speed Internet subscriber base increased by 442,225 subscribers.

(3) In Q1 2025, we reduced our retail high-speed Internet subscriber base by 80,666 subscribers in Bell CTS Canada, as at March 31, 2025, as we stopped selling new plans for this service under the Distributel, Acanac, Oricom and B2B2C brands. Additionally, at the beginning of Q1 2025, we reduced our retail high-speed Internet subscriber base by 2,783 subscribers in Bell CTS Canada to adjust for prior year customer deactivations following a review of customer accounts.

(4) As a result of a recent CRTC decision on wholesale high-speed Internet access services, we are no longer able to resell cable Internet services to new customers in our wireline footprint as of September 12, 2024, and consequently, in Bell CTS Canada, we removed all of the existing 106,259 cable subscribers in our wireline footprint from our retail high-speed Internet subscriber base as of that date.

Bell CTS retail high-speed Internet net subscriber activations decreased by 59.0% in 2025, compared to last year, attributable to a decline in Bell CTS Canada of 63.5%, partly offset by the contribution from Bell CTS U.S of 5,946 net subscriber activations, as a result of the acquisition of Ziply Fiber on August 1, 2025

Bell CTS Canada retail high-speed Internet net subscriber activations decreased by 63.5% in 2025, compared to last year, driven by reduced activations attributable to ongoing aggressive promotional offers by competitors offering cable, wholesale fibre, fixed wireless and satellite Internet services, less new fibre footprint expansion and slowing market growth, due to lower immigration and slowing housing starts, mitigated in part, by fewer customer deactivations, particularly on fibre, and reflects our focus on customer retention.

Bell CTS U.S. retail high-speed Internet net subscriber activations were 5,946 in the year, compared to nil last year, as a result of the acquisition of Ziply Fiber on August 1, 2025. Net activations benefited from the continued expansion of the fibre footprint, coupled with strong fibre penetration, which more than offset the non-fibre disconnects.

Bell CTS retail high-speed Internet subscribers totalled 4,890,602 at December 31 2025, up 8.9% from 4,490,896 subscribers reported at the end of 2024, due to the contribution from Bell CTS U.S. as a result of the acquisition of Ziply Fiber on August 1, 2025, moderated by a decline in Bell CTS Canada. In Q1 2025, we reduced our retail high-speed Internet subscriber base by 80,666 subscribers in Bell CTS Canada, as at March 31, 2025, as we stopped selling new plans for this service under the Distributel, Acanac, Oricom and B2B2C brands.

Additionally, at the beginning of Q1 2025, we reduced our retail high-speed Internet subscriber base by 2,783 subscribers in Bell CTS Canada to adjust for prior year customer deactivations following a review of customer accounts. In Q3 2025, as a result of the acquisition of Ziply Fiber, Bell CTS U.S. retail high-speed Internet subscriber base increased by 442,225 subscribers. In Q4 2025, after a comprehensive review of Ziply Fiber subscriber accounts, we reduced our retail high-speed Internet subscriber base by 13,029 customers to align with Bell methodology for customer deactivations.

Bell CTS Canada retail high-speed Internet subscribers totalled 4,455,460 at December 31, 2025, down 0.8% from 4,490,896 subscribers reported at the end of 2024. In Q1 2025, we reduced our retail high-speed Internet subscriber base by 80,666 subscribers as at March 31, 2025, as we stopped selling new plans for this service under the Distributel, Acanac, Oricom and B2B2C brands. Additionally, at the beginning of Q1 2025, we reduced our retail high-speed Internet subscriber base by 2,783 subscribers to adjust for prior year customer deactivations following a review of customer accounts.

Bell CTS U.S. retail high-speed Internet subscribers totalled 435,142 at December 31, 2025. In Q3 2025, as a result of the acquisition of Ziply Fiber on August 1, 2025, our retail high-speed Internet subscriber base increased by 442,225 subscribers. In Q4 2025, after a comprehensive review of Ziply Fiber subscriber accounts, we reduced our retail high-speed Internet subscriber base by 13,029 customers to align with Bell methodology for customer deactivations.

Retail IPTV

	2025	2024	Change	% change
Bell CTS retail IPTV net subscriber (losses) activations	**(52,971)**	21,614	(74,585)	n.m.
Bell CTS Canada	***(52,721)***	*21,614*	*(74,335)*	*n.m.*
Bell CTS U.S.	***(250)***	–	*(250)*	*n.m.*
Bell CTS retail IPTV subscribers (1) (2) (3)	**2,085,630**	2,132,953	(47,323)	(2.2%)
Bell CTS Canada (2) (3)	***2,079,791***	*2,132,953*	*(53,162)*	*(2.5%)*
Bell CTS U.S. (1)	***5,839***	–	*5,839*	*n.m.*

n.m.: not meaningful

(1) In Q3 2025, as a result of the acquisition of Ziply Fiber on August 1, 2025, Bell CTS U.S. retail IPTV subscriber base increased by 6,089 subscribers.

(2) In Q1 2025, we reduced our retail IPTV subscriber base by 441 subscribers in Bell CTS Canada, as at March 31, 2025, as we stopped selling new plans for this service under the Distributel, Acanac, Oricom and B2B2C brands.

(3) In Q2 2024, we increased our retail IPTV subscriber base by 40,997 in Bell CTS Canada to align the deactivation policy for our Fibe TV streaming services to our traditional Fibe TV service.

Bell CTS retail IPTV net subscriber losses of 52,971 in 2025, deteriorated by 74,585 net subscribers compared to net subscriber activations of 21,614 in 2024, driven by a deterioration in Bell CTS Canada of 74,335 net subscribers and net subscriber losses in Bell CTS U.S. of 250, as a result of the acquisition of Ziply Fiber on August 1, 2025.

Bell CTS Canada retail IPTV net subscriber losses of 52,721 in 2025, deteriorated by 74,335 net subscribers, compared to net subscriber activations of 21,614 in 2024, attributable to reduced pull-through on fewer Internet activations, lower activations from our Fibe TV streaming services, reflecting our focus on growing higher-valued subscribers, greater competitive intensity and increased substitution with OTT services, partly offset by a lower number of customers coming off of promotional offers.

Bell CTS U.S. retail IPTV net subscriber losses were 250 in 2025, compared to nil last year, as a result of the acquisition of Ziply Fiber on August 1, 2025, attributable to greater deactivations as traditional IPTV services are challenged by customer adoption of OTT services.

Bell CTS retail IPTV subscribers at December 31, 2025 totalled 2,085,630, down 2.2% from 2,132,953 subscribers reported at the end of 2024, due to a decline in Bell CTS Canada, partly offset by the contribution from Bell CTS U.S. attributable to the acquisition of Ziply Fiber on August 1, 2025. In Q1 2025, we reduced our retail IPTV subscriber base by 441 subscribers in Bell CTS Canada, as at March 31, 2025, as we stopped selling new plans for this service under the Distributel, Acanac, Oricom and B2B2C brands. In Q3 2025, as a result of the acquisition of Ziply Fiber on August 1, 2025, Bell CTS U.S. retail IPTV subscriber base increased by 6,089 subscribers.

Bell CTS Canada retail IPTV subscribers at December 31, 2025 totalled 2,079,791 down 2.5% from 2,132,953 subscribers reported at the end of 2024. In Q1 2025, we reduced our retail IPTV subscriber base by 441 subscribers, as at March 31, 2025, as we stopped selling new plans for this service under the Distributel, Acanac, Oricom and B2B2C brands.

Bell CTS U.S. retail IPTV subscribers at December 31, 2025 totalled 5,839. In Q3 2025, as a result of the acquisition of Ziply Fiber on August 1, 2025, our retail IPTV subscriber base increased by 6,089 subscribers.

Wireline voice

	2025	2024	Change	% change
Bell CTS retail residential NAS lines net losses	**(181,197)**	(187,426)	6,229	3.3%
Bell CTS Canada	***(173,734)***	*(187,426)*	*13,692*	*7.3%*
Bell CTS U.S.	***(7,463)***	*–*	*(7,463)*	*n.m.*
Bell CTS retail residential NAS lines (1) (2) (3)	**1,722,178**	1,834,191	(112,013)	(6.1%)
Bell CTS Canada (3)	***1,646,307***	*1,834,191*	*(187,884)*	*(10.2%)*
Bell CTS U.S. (1) (2)	***75,871***	*–*	*75,871*	*n.m.*

n.m.: not meaningful

(1) In Q4 2025, after a comprehensive review of Ziply Fiber subscriber accounts following our acquisition on August 1, 2025, we reduced our retail residential NAS subscriber base by 1,106 customers to align with Bell methodology for customer deactivations.

(2) In Q3 2025, as a result of the acquisition of Ziply Fiber on August 1, 2025, Bell CTS U.S. retail residential NAS lines increased by 84,440 subscribers.

(3) In Q1 2025, we reduced our retail residential NAS lines by 14,150 subscribers in Bell CTS Canada, as at March 31, 2025, as we stopped selling new plans for this service under the Distributel, Acanac, Oricom and B2B2C brands.

Bell CTS retail residential NAS lines net losses decreased by 3.3% in 2025, compared to last year, from lower net losses in Bell CTS Canada of 7.3%, partly offset by net losses in Bell CTS U.S. of 7,463, as a result of the acquisition of Ziply Fiber on August 1, 2025.

Bell CTS Canada retail residential NAS lines net losses decreased by 7.3% in 2025, compared to 2024, resulting from fewer customer deactivations, partly offset by reduced gross activations attributable to ongoing substitution to wireless and Internet-based technologies, combined with less pull-through on lower Internet activations.

Bell CTS U.S. retail residential NAS lines net losses were 7,463 in 2025, compared with nil last year, due to the acquisition of Ziply Fiber on August 1, 2025. The net losses were impacted by continued substitution to wireless and Internet-based technologies.

Bell CTS retail residential NAS lines of 1,722,178 at December 31, 2025, declined by 6.1% from 1,834,191 lines reported at the end of 2024, due to a decline in Bell CTS Canada, partly offset by the contribution from Bell CTS U.S. from the acquisition of Ziply Fiber on August 1, 2025. In Q1 2025, we reduced our retail residential NAS lines by 14,150 lines in Bell CTS Canada, as at March 31, 2025, as we stopped selling new plans for this service under the Distributel, Acanac, Oricom and B2B2C brands. In Q3 2025, as a result of the acquisition of Ziply Fiber on August 1, 2025, Bell CTS U.S. retail residential NAS lines increased by 84,440 lines. In Q4 2025, after a comprehensive review of Ziply Fiber subscriber accounts, we reduced retail residential NAS lines by 1,106 lines, to align with Bell methodology for customer deactivations.

Bell CTS Canada retail residential NAS lines of 1,646,307 at December 31, 2025, declined by 10.2% from 1,834,191 lines reported at the end of 2024. In Q1 2025, we reduced our retail residential NAS lines by 14,150 subscribers, as at March 31, 2025, as we stopped selling new plans for this service under the Distributel, Acanac, Oricom and B2B2C brands.

Bell CTS U.S. retail residential NAS lines were 75,871 at December 31, 2025. In Q3 2025, as a result of the acquisition of Ziply Fiber on August 1, 2025, our retail residential NAS lines increased by 84,440 lines. In Q4 2025, after a comprehensive review of Ziply Fiber subscriber accounts, we reduced the retail residential NAS lines by 1,106 lines, to align with Bell methodology for customer deactivations.

Competitive landscape and industry trends

This section contains forward-looking statements, including statements relating to our business outlook. Refer to the section *Caution regarding forward-looking statements* at the beginning of this MD&A.

Competitive landscape

Bell CTS Canada

Wireless products and services

The Canadian wireless industry experienced flat service revenue growth in 2025, which was largely attributable to continued customer growth and penetration gains despite slowing immigration and population growth, offset by moderate pricing pressures. With penetration rates in other developed geographies (U.S., Europe and Asia) well above 100%, the Canadian mobile phone penetration rate is expected to continue to increase, above and beyond the approximate rate of 90% for 2025, in line with the trend toward multiple devices, and the ongoing adoption of mobile devices and services.

In 2025, the Canadian wireless industry continued to experience heightened levels of competition nationally, particularly amongst flanker brands, although the industry overall saw improving competitive dynamics through the second half of the year. The industry continued to see elevated levels of data allocation in monthly plans, including unlimited data plans and Canada-U.S.-Mexico roaming plans, in addition to other ongoing factors, such as: the popularity of data sharing plans, including family plans, and an evolving shift in the customer mix toward non-traditional mobile devices and tools such as video chats. The rollout of 5G network infrastructure continued in 2025, with 5G coverage by the national carriers reaching approximately 90% of the Canadian population at the end of 2025, compared to approximately 88% at the end of 2024. For Bell, our long-standing focus on network excellence is reflected in the recognition we received from independent third-party sources, including being recognized as Canada's Fastest and Best 5G wireless network by Ookla in its Q3-Q4 2025 Speedtest Awards report.

The Canadian wireless industry remains highly competitive and capital-intensive among facilities-based providers, as carriers continue to expand and enhance their broadband wireless networks, including the ongoing build-out of 5G and operationalization of spectrum.

Competitors for wireless products and services

- Facilities-based national wireless service providers Rogers, the Telus Corporation group of companies (Telus) and Québecor Inc. (Québecor)
- Regional facilities-based wireless service providers Saskatchewan Telecommunications Holding Corporation, which provides service in Saskatchewan; Bragg Communications Inc. (Eastlink), which provides service in the three Maritime provinces
- Cogeco Communications Inc. (Cogeco), which launched mobile service on a limited basis in select markets in Québec and Ontario in July 2025 as a MVNO, offering wireless services to its Internet customers

Wireline products and services

An estimated 7.5 million Internet subscribers received their service over the networks of the three largest cable companies at the end of 2025, compared to an estimated 7.6 million subscribers at the end of 2024. Meanwhile, an estimated 7.7 million Internet subscribers received their service over the networks of incumbent local exchange carriers (ILECs) like Bell at the end of 2025, compared to approximately 7.7 million at the end of 2024. Bell continues to make gains in market share as a result of the ongoing expansion of our FTTP direct fibre network and increased customer penetration of bundled service offerings. Our ongoing focus on FTTP and its superior characteristics as compared to cable, such as higher and symmetrical download and upload speeds and greater reliability, has allowed us to connect approximately 8 million homes and businesses in Ontario, Québec, the Atlantic provinces and Manitoba to our pure fibre technology. Notably, Bell pure fibre Internet was awarded fastest in Canada in Ookla's Q3-Q4 2025 Speedtest Awards report for the sixth consecutive reporting period. Bell Pure Fibre also received Best Internet, Best Internet Service Provider Gaming Experience and Top-Rated Internet honours from Ookla.

While many Canadians still watch conventional TV, digital streaming platforms are playing an increasingly important role in the broadcasting industry and in the distribution of content. Popular online video services are providing Canadians with more choice about where, when and how to access video content. In 2025, ILECs offering IPTV service had an estimated combined subscriber base of 3.4 million customers, or a 39% market share, unchanged compared to the end of 2024. Canada's three largest cable companies had an estimated 4.3 million TV subscribers, or a 49% market share at the end of 2025, down slightly as compared to 50% at the end of 2024. The balance of industry subscribers were served by satellite TV and regional providers.

In recent years, two of Canada's largest cable companies – Rogers and Québecor's Vidéotron brand – have launched new television services based on the Comcast X1 video platform. Bell's IPTV platform, Fibe TV, continues to offer several service advantages relative to cable-based offerings, including flexible pricing plans and packages, picture clarity and quality, a broad and deep content library, and multiple ways for customers to access content. These include hardware-free, app-based Fibe TV on devices customers already own, as well as features such as Restart TV and cloud PVR. Bell's streaming bundles further enhance the value proposition by providing access to premium streaming services, including Crave, Netflix and Disney+, while offering monthly bundle discounts, simplified billing and the flexibility for customers to manage and modify their streaming subscriptions through Bell.

The financial performance of the overall Canadian wireline telecommunications market continues to be impacted by the ongoing declines in legacy voice service revenues resulting from technological substitution to wireless and OTT services, as well as by the ongoing conversion to IP-based data services and networks by large business customers. Canada's three largest cable companies had an estimated combined base of approximately 2.3 million telephony subscribers at the end of 2025, representing a national residential market share of approximately 40%, compared to 41% at the end of 2024. Telecommunications companies had an estimated combined total of 2.8 million telephony subscribers at the end of 2025, representing a market share of approximately 50%, compared to approximately 49% at the end of 2024. Other non-facilities-based competitors also offer local and long distance VoIP services and resell high-speed Internet services.

Competitors for wireline products and services

- Cable TV providers offering cable TV, Internet and cable telephony services, including:
  - Rogers in Ontario, New Brunswick, Newfoundland and Labrador, B.C., Alberta, Saskatchewan and Manitoba
  - Vidéotron in Québec
  - Cogeco in Ontario and Québec
  - Shaw Direct, providing satellite TV service nationwide
  - Eastlink in every province except Saskatchewan, where it does not provide cable TV and Internet service
- Telus provides residential voice, Internet and IPTV services in B.C., Alberta and Eastern Québec, and offers retail Internet services in parts of Eastern Canada using mandated wholesale access arrangements under the CRTC regulatory framework
- Telus and Allstream Inc. (Allstream) provide wholesale products and business services across Canada
- Various others such as TekSavvy Solutions and Vonage Canada (a division of Vonage Holdings Corp.) (Vonage) offer resale or VoIP-based local, long distance and Internet services
- LEO satellite providers offering Internet services
- OTT voice and/or video services, such as Zoom, Skype, Netflix, Prime Video, Disney+ and YouTube
- Digital media streaming devices such as Apple TV, Roku and Google Chromecast
- Other Canadian ILECs and cable TV operators
- Substitution to wireless services, including those offered by Bell
- Customized managed outsourcing solutions competitors, such as systems integrators CGI Inc. and IBM
- Wholesale competitors include cable operators, domestic competitive local exchange carrier (CLEC)s, U.S. or other international carriers for certain services, and electrical utility-based telecommunications providers

Bell CTS U.S.

Wireline products and services

The competitive landscape for Bell CTS U.S. is shaped primarily by competition in residential and business wireline data services, with increasing emphasis on high-bandwidth connectivity and fibre-based solutions.

In residential and small business markets, competition remains intense, with cable operators continuing to compete aggressively on pricing, promotions and marketing to defend market share. At the same time, FTTP technology is expected to maintain a structural competitive advantage over cable, offering lower latency, higher and more consistent speeds, and symmetrical upload and download capabilities. These attributes are increasingly important as customer demand for data-intensive applications continues to grow.

Wireless fixed broadband and satellite-based Internet services have expanded in recent years, primarily targeting lower-bandwidth or underserved customer segments. While these alternatives may address certain use cases, they typically exhibit capacity, latency or usage limitations compared to fibre-based connectivity and are not expected to replace fibre services for customers requiring high-performance broadband.

In business and wholesale markets, competition is driven by demand for high-capacity, reliable connectivity to support cloud adoption, data-intensive applications and the growing use of AI. Technology substitution from legacy copper-based services to fibre-based and IP-enabled solutions continues, increasing competitive pressure while also expanding the addressable market for advanced connectivity services. Competition in these markets includes national carriers, regional providers and competitive local exchange carriers offering Ethernet, wavelength, Internet access and IP-based voice services.

Across all customer segments, industry participants continue to invest in network expansion, automation, self-service capabilities and digital platforms to improve operating efficiency, service quality and the customer experience, while managing the capital intensity associated with fibre network deployment.

Competitors for wireline products and services

- Cable TV providers offering residential and small business video, Internet and telephony services, including Comcast and Charter, operating in various markets within Ziply Fiber's footprint
- Wireless service providers offering fixed wireless broadband services, including AT&T, Verizon and T-Mobile, primarily targeting lower-bandwidth residential and small business use cases
- Satellite broadband providers, such as Starlink, offering Internet services primarily in rural and underserved areas
- OTT video service providers, including Netflix, YouTube TV, YouTube, DirecTV Stream and Hulu, which compete for consumer video viewership
- Commercial and wholesale Ethernet and wavelength service providers, including national carriers, regional providers and CLECs, such as Zayo, Lumen, AT&T, Verizon, Comcast, Charter and various local CLECs
- Commercial IP voice service providers, including cloud-based communications providers such as Zoom, RingCentral, Nextiva and Vonage

Industry trends

Bell CTS Canada

Wireless products and services

Growth in the Canadian wireless market continues to be supported by rising data usage and the ongoing adoption of data-intensive services. Key drivers include the continued uptake of higher-value smartphones, unlimited data plans, shared and family data offerings, IoT devices, as well as broader mobile access and related data services. These factors are expected to sustain demand for wireless data services over the medium to long term, particularly as usage patterns continue to evolve.

Wireless growth has also been influenced by population and household formation dynamics. As new Canadians become more established and expand their household connectivity needs, additional mobile devices are often added to existing accounts over time, contributing to incremental subscriber growth. However, recent government initiatives to moderate immigration levels, including reductions in international student permits, could weigh on industry subscriber additions in the near term and may contribute to heightened competitive intensity.

Following a period of elevated competition in 2023 and 2024, industry ARPU showed signs of stabilization in 2025. Despite this improvement, pricing pressures remain, driven in part by increased competitive activity and the continued shift toward BYOD plans. The greater prevalence of BYOD offerings has lowered barriers to switching and contributed to higher customer mobility across carriers.

While LTE and LTE-A technologies increase download speeds, encourage data usage and enhance the customer experience, growth in data traffic poses challenges to mobile access technology. To better manage this data traffic, Canadian providers continue to evolve their networks and deploy spectrum to support the shift to 5G. Although the millimetre wave (mmWave) band is important for the expansion of 5G networks, ISED has not yet indicated when the mmWave spectrum auction will commence.

IoT technologies enable communications-enabled devices to connect over wireless networks and exchange data, supporting automation, monitoring and data-driven decision-making across a wide range of applications. IoT platforms and networks are already well-established in sectors such as transportation, retail, manufacturing and natural resources, with adoption continuing to expand across additional industries. Organizations are increasingly integrating IoT solutions with other digital applications to support operational transformation, improve efficiency and generate incremental value from connected assets. As a result, IoT represents a growing opportunity for wireless connectivity, enabling service providers to deliver solutions that enhance security, productivity and service reliability. While IoT connectivity typically generates lower ARPU when sold as a stand-alone service, it supports broader revenue and margin growth by enabling the sale of value-added applications and complementary services. IoT solutions often deepen customer relationships by increasing account penetration and expanding the range of services provided to enterprise and public sector customers. In 2025, we added 324,002 mobile connected device subscribers, bringing our mobile connected device subscriber base to approximately 3.4 million, up 10.4% from 2024.

Wireline products and services

The wireline telecommunications market is expected to remain very competitive in 2026. Although the residential high-speed internet market is maturing, with a penetration rate of approximately 95% across Canada at the end of 2025, subscriber growth is expected to continue over the coming years. Technology substitution, including the growth of wireless and VoIP services, is expected to continue to replace higher-margin legacy voice revenues, while digital streaming services and other online content providers are expected to impact current linear TV services. Bell is an important provider of these substitution services and the decline in this legacy business is continuing as expected, although residential voice losses continued at a slower pace than earlier years, reflecting our success in bundling our home services.

The popularity of viewing television and on-demand content across multiple screens, particularly on handheld and connected devices, is expected to continue to grow as consumer viewing habits evolve. Streaming media providers continue to enhance their OTT and DTC offerings to compete for audience attention. Conventional television content providers are adapting their content and distribution strategies in response to these trends. Bell views OTT and streaming services as an opportunity to enhance our linear and on-demand offerings by providing customers with greater flexibility and choice, while encouraging increased usage of Bell's high-speed Internet and wireless networks. In 2025, Bell expanded its bundled streaming offerings, including Crave bundles with Netflix and Disney+, as well as new subscription options combining Crave, TSN and RDS.

The Canadian ILECs continue to make significant capital investments in broadband networks, with a focus on FTTP, to maintain and enhance their ability to support advanced IP-based services and higher broadband speeds. Cable companies continue to evolve their cable networks with DOCSIS-related bandwidth enhancements and node splitting. Although the platform increases speed in the near term and is cost-efficient, it does not offer the advanced capabilities of FTTP over the longer term, such as fast symmetrical upload and download speeds.

In the business market, the convergence of IT and telecommunications, enabled by IP-based networks, continues to reshape the competitive landscape, with non-traditional providers increasingly blurring traditional industry boundaries. Telecommunications providers such as Bell are responding by delivering network-centric managed solutions that leverage FTTP investments alongside IT service providers bundling connectivity with software-as-a-service (SaaS) offerings. The evolution of IT has created opportunities for business market services such as cloud, cybersecurity, data and workflow automation solutions. In this context, Bell's enterprise offerings, including Ateko and Bell Cyber, address customer demand for integrated digital solutions that combine connectivity, security and managed services. In parallel, the emergence of an AI-driven digital transformation is increasing requirements for secure, sovereign data infrastructure, high-performance computing and connectivity, creating opportunities for Bell AI Fabric to support enterprises and governments in deploying and scaling AI-enabled solutions within a Canadian sovereign framework.

Bell CTS U.S.

Wireline products and services

The U.S. residential wireline data telecommunications market is expected to remain highly competitive in 2026. Cable providers continue to respond to subscriber losses in traditional wireline services through pricing actions, promotional activity and increased marketing and retention efforts. At the same time, the limited availability of FTTP infrastructure across large portions of the U.S. continues to create opportunities for fibre-based providers to differentiate on network performance and service capabilities.

Fibre technology is expected to maintain a structural advantage over cable, offering lower latency, higher and more consistent speeds, and symmetrical upload and download capabilities. These attributes support a broad range of use cases across residential, small business, enterprise and wholesale customers, and are increasingly important as data consumption and application requirements continue to grow.

Wireless fixed and satellite-based broadband offerings have entered the U.S. market in recent years, primarily targeting lower-bandwidth or underserved customer segments. While these services may address specific use cases, they typically exhibit higher latency, capacity constraints and usage limitations compared to fibre-based services, and are not expected to displace fibre connectivity for customers requiring high-performance broadband.

Technology substitution from legacy copper-based services to high-bandwidth IP-based solutions is expected to continue across residential and commercial markets. In the business market, demand for high-capacity connectivity is being driven by increased cloud adoption, data-intensive applications and the growing use of AI, which are increasing bandwidth requirements across organizations of all sizes. Fibre-based providers are expected to continue investing in network expansion and optimization to meet this demand.

In commercial markets, demand for data centre connectivity and colocation services is expected to remain strong, supported by capacity constraints at traditional facilities and increasing customer focus on cost efficiency, latency and network proximity. These trends are creating opportunities for alternative colocation and connectivity solutions that leverage existing fibre infrastructure.

Continued investment in automation, self-service capabilities, network monitoring and digital platforms across the industry is expected to support operating efficiencies, improve service quality and enhance the customer experience.

Business outlook and assumptions

This section contains forward-looking statements, including statements relating to our projected financial performance and network deployment plans, as well as our business outlook, objectives, plans and strategic priorities. Refer to the section *Caution regarding forward-looking statements* at the beginning of this MD&A.

2026 outlook

Bell CTS Canada

Our outlook for Bell CTS Canada in 2026 is underpinned by continued improvement in wireless performance and growth in AI-powered enterprise solutions, partially offset by ongoing declines in legacy data and voice services. The outlook also reflects an uncertain macroeconomic environment, continued regulatory pricing uncertainty and ongoing competitive pricing pressures. At the same time, the superiority of fibre over cable, our 5G wireless services, digital subscriptions and AI-powered solutions continue to present opportunities for growth.

Moderate wireless subscriber growth is expected in an environment of lower immigration, supported by a mix shift of subscribers toward the premium Bell brand, a continued focus on customer retention, and higher product intensity across converged mobility, Internet and content offerings. We will continue to grow our wireless mobile phone subscriber base in a disciplined and cost-conscious manner while managing heightened competitive intensity and promotional activity across all regions and market segments. Mobile phone blended ARPU is expected to decline modestly, reflecting the flow-through of prior-year competitive pricing pressures and lower data overage revenues resulting from continued adoption of unlimited plans, partially offset by pricing actions, increased subscriber volumes and higher product intensity. We also expect to increase revenues from IoT services and applications.

Growth in the fibre Internet subscriber base is expected to continue, supported by higher household penetration. Growth across the combined IPTV and streaming subscriber base is expected to be supported by the rollout of hardware-free Fibe TV and the adoption of bundled streaming services featuring Crave. Our strategy to increase product intensity by expanding the number of services per household remains a key driver of revenue growth, supported by our Internet speed advantage over cable, a strong customer experience, greater cross-sell penetration of higher-value mobility and Internet households, and the bundling of content.

In enterprise markets, we expect to build on momentum from 2025 by accelerating our AI-powered growth vectors – Ateko, Bell Cyber and Bell AI Fabric – while managing declines in legacy connectivity services. We expect higher product sales and project-based spending by medium and large enterprise and public sector customers, supported by continued wireless subscriber growth. However, as large enterprise customers seek to leverage lower-cost technologies to transform their workforces and respond to increased economic uncertainty, spending on core traditional telecommunications services and products is expected to remain variable.

We will continue to focus on our operating cost structure to help offset pressures from slowing customer growth, ongoing erosion of high-margin wireline voice and other legacy revenues, and competitive repricing pressures. Continued operating efficiencies enabled by our direct fibre footprint, changes in consumer behaviour and product innovation, digital and AI adoption, product and service enhancements, expanding self-serve capabilities, new call centre and digital investments, other improvements to the customer service experience, management workforce reductions including attrition and retirements, and lower contracted rates from our suppliers are expected to deliver meaningful cost savings and productivity gains across the organization.

Bell CTS U.S.

The outlook for Bell CTS U.S. reflects the incremental financial contribution of Ziply Fiber, with seven additional months of operations in 2026 compared to 2025. The outlook also reflects an uncertain macroeconomic environment, competitive pricing pressure from cable providers, and execution risks associated with permitting and pole attachments related to fibre expansion.

Ziply Fiber's fibre build program is expected to accelerate in 2026 following the reprioritization of investment toward higher-growth markets. This is expected to drive higher year-over-year Internet net subscriber additions and support revenue and adjusted EBITDA growth, as the business continues to benefit from the operating leverage inherent in its fibre platform.

The outlook also reflects opportunities to increase penetration of residential and commercial data services across existing and newly built fibre assets. Demand for high-bandwidth commercial connectivity, including data centre and colocation services, is expected to support growth, driven by increased cloud adoption and data-intensive applications. Continued investments in automation, self-service and digital capabilities are expected to support operating efficiencies and enhance the customer experience.

Assumptions

Bell CTS Canada

- Stabilizing wireless market share of net additions as we manage increased competitive intensity and promotional activity across all regions and market segments
- Ongoing expansion and deployment of 5G and 5G+ wireless networks, offering competitive coverage and quality
- Continued diversification of our distribution strategy with a focus on expanding DTC and online transactions
- Slightly declining mobile phone blended ARPU due to competitive pricing pressure
- Continuing business customer adoption of advanced 5G, 5G+ and IoT solutions
- Continued scaling of technology services from recent acquisitions made in the enterprise market through leveraging our sales channels with the acquired businesses' technical expertise
- Continued growth in retail fibre Internet subscribers
- Increasing wireless and Internet-based technological substitution
- Continued focus on the consumer household and bundled service offers for mobility, Internet and content services
- Continued large business customer migration to IP-based systems
- Ongoing competitive repricing pressures in our business and wholesale markets
- Traditional high-margin product categories challenged by large global cloud and OTT providers of business voice and data solutions expanding into Canada with on-demand services, which, in many cases, are also sold as a service by Bell Business Markets (BBM) to ensure continuity of customer relationships and adjacent revenue growth opportunities
- Increasing customer adoption of OTT services resulting in downsizing of TV packages and fewer consumers purchasing BDU subscriptions services
- Realization of cost savings related to operating efficiencies enabled by our direct fibre footprint, changes in consumer behaviour and product innovation, digital and AI adoption, product and service enhancements, expanding self-serve capabilities, new call centre and digital investments, other improvements to the customer service experience, management workforce reductions including attrition and retirements, and lower contracted rates from our suppliers

Bell CTS U.S.

- Continued growth in retail Internet customers with continued deployment of direct fibre to incremental homes and businesses both within our existing footprint and in new markets
- Increasing retail Internet ARPU through continued migration of customers to higher speed tiers and rate increases
- Ongoing competitive repricing pressures in our business and wholesale markets
- Realization of cost savings related to operational efficiencies enabled by our direct fibre footprint, digital and AI adoption, expanding self service capabilities, and other improvements to the customer service experience

Key growth drivers

Bell CTS Canada

- Increasing mix of customers on the main premium Bell brand
- Higher product intensity across converged mobility, Internet and content offerings, driven by cross-selling to customers who do not currently take all of their telecommunications services from Bell
- Continued expansion of the FTTP footprint, albeit at a slower pace than during the 2020–2025 period
- Rising penetration of FTTP and WTTP services
- Ongoing growth in retail fibre Internet subscriber base
- Continued growth in AI-powered solutions in enterprise markets
- Expansion of business customer relationships, driving higher revenue per customer
- Ongoing service innovation and enhancements to the product suite

Bell CTS U.S.

- Increased financial contribution from Ziply Fiber in 2026, reflecting seven additional months of operations compared to 2025
- Accelerated expansion of the Ziply Fiber build plan, supporting higher year-over-year fibre Internet subscriber additions
- Increased penetration of residential and commercial data services within existing fibre assets
- New customer acquisition in newly built fibre markets in 2026
- Expansion and deeper penetration in commercial verticals, including education, data centre and colocation customers
- Ongoing service innovation and enhancements to the data and voice product suite

Principal business risks

This section discusses certain principal business risks specifically related to the Bell CTS Canada and Bell CTS U.S. segments. For a detailed description of the other principal risks that could have a material adverse effect on our business, refer to section 9, *Business risks*.

Bell CTS Canada

Aggressive competition

Risk

- The intensity of competitive activity from national wireless operators, smaller or regional facilities-based wireless service providers, non-traditional players and resellers
- The intensity of competitive activity coupled with the proliferation of instalment and/or buy and pay later plans, and new wireline product launches for residential customers (e.g., IoT, smart home systems and devices, innovative TV platforms, etc.) and business customers (e.g., OTT VoIP, collaboration and SD WAN solutions) from national operators, non-traditional players and wholesalers, including the expanded offering of retail services based on wholesale access by large facilities-based competitors
- The competition from both global and domestic system integrators driving pricing pressure across the industry

Potential impact

- Pressure on our revenue, adjusted EBITDA, ARPU, cash flows and churn would likely result if wireless competitors continue to aggressively pursue new types of price plans, increase discounts, offer shared plans based on sophisticated pricing requirements (e.g., instalments) or offer other incentives, such as cash-back for upgrade with old smartphone and multi-product bundles, in order to attract new customers
- An increase in the intensity level of competitive activity for wireline services could result in lost revenue, higher churn and increased acquisition and retention expenses, all of which would put pressure on Bell CTS Canada's adjusted EBITDA

Regulatory environment

Risk

- Increased regulation of wireless services, pricing and infrastructure, such as additional mandated access to wireless networks, establishing rates for mandated wireless services that are materially different from the rates we propose, and limitations placed on future spectrum bidding
- In an interim decision (Interim Decision), the CRTC determined that aggregated wholesale high-speed access to Bell Canada's FTTP facilities in Ontario and Québec should be mandated on a temporary and expedited basis, and the CRTC set interim rates. Subsequently, in a final decision (Final Decision), the CRTC mandated the establishment of an aggregated wholesale high-speed access service available on FTTP facilities to be provided by large ILECs in all of their respective incumbent territories as of February 13, 2025. This new service materially improves the business position of our competitors. Several parties filed Part 1 applications asking the CRTC to review and vary several aspects of the Final Decision. On June 20, 2025, the CRTC issued Telecom Decision CRTC 2025-154 (the R&V Decision) denying all of the review and vary applications. In a motion dated July 18, 2025, Cogeco and Eastlink sought leave to appeal the R&V Decision to the Federal Court of Appeal, which was granted on September 10, 2025. Competitive Network Operators of Canada (CNOC), Cogeco, Eastlink, and Saskatchewan Telecommunications filed a joint appeal of the Final Decision to the Governor-in-Council, and on August 6, 2025, the Governor-in-Council announced that it had declined to alter the Final Decision. In September 2025, Cogeco, Eastlink and Saskatchewan Telecommunications, Rogers Communications Canada Inc., and CNOC filed appeals of the R&V Decision to the Governor-in-Council. The financial impact of these regulatory obligations will be determined in part by whether the CRTC establishes final rates that fully compensate Bell Canada for the significant costs and risks Bell Canada assumes in expanding and upgrading its networks.

Potential impact

- Increased regulation could influence network investment and the market structure, limit our flexibility, improve the business position of our competitors, limit network-based differentiation of our services, and negatively impact the financial performance of our Bell CTS Canada segment
- In respect of the new aggregated wholesale high-speed access service mandated on FTTP facilities: (i) the mandating of final rates that are materially different from the rates we proposed could have a financial impact, (ii) while we are able to make use of wholesale FTTP in the traditional territory of Telus Communications Inc., and vice versa, our traditional territory has a larger customer base than that of Telus Communications Inc., giving the latter access to a larger base of potential new customers than we will gain access to; (iii) we and our brands that resell wholesale high-speed access services over competitors' cable are no longer allowed to sell those services to new customers within our traditional wireline incumbent serving territory, and (iv) in the case of our existing wholesale high-speed access service, the implementation of the rates for aggregated or disaggregated wholesale high-speed access services could change our investment strategy, especially in relation to investment in next-generation wireline networks in smaller communities and rural areas, improve the business position of our competitors, further accelerate penetration and disintermediation by OTT players, and negatively impact the financial performance of our business

Market environment, technological advancement and changing customer behaviour

Risk

- Slower subscriber growth due to high Canadian Internet and smartphone penetration, combined with potential pressures from the economic environment and reduced discretionary spending, and reductions in immigration levels
- With technological advancement, the traditional TV viewing model (i.e., a subscription for bundled channels) is challenged by an increasing number of legal and illegal viewing options available in the market offered by traditional, non-traditional and global players, as well as increasing cord-cutting and cord-shaving trends
- The proliferation of network technologies impacts business customers' decision to migrate to OTT, VoIP and/or leverage SD WAN architecture
- Changing customer habits further contribute to the erosion of NAS lines

Potential impact

- A maturing wireline and wireless market with reductions in immigration levels could challenge subscriber growth and the cost of subscriber acquisition and retention, putting pressure on the financial performance of our business
- Our market penetration and number of TV subscribers could decline as a result of innovative offerings by BDUs and an increasing number of domestic and non-domestic unregulated OTT providers, as well as a significant volume of content piracy
- The proliferation of IP-based products, including OTT content and OTT software offerings directly to consumers, may accelerate the disconnection of TV services or the reduction of TV spending, as well as the reduction in business IT investments by customers
- The ongoing loss of NAS lines challenges our traditional voice revenues and compels us to develop other service offerings

Bell CTS U.S.

Aggressive competition

Risk

- The intensity of competitive activity from national and regional wireless home broadband operators, satellite broadband providers and wired fibre overbuilders
- The intensity of competitive activity coupled with aggressive rate actions from commercial and residential providers and migration from copper-based solutions

Potential impact

- Pressure on our revenue, adjusted EBITDA, ARPU, cash flows and churn would likely result if wireless broadband, satellite broadband and wired cable competitors aggressively pursue new types of price plans and increase discounts, or offer other incentives, in order to attract new customers
- An increase in the intensity level of competitive activity for wireline services could result in lost revenue, higher churn and increased acquisition and retention expenses, all of which would put pressure on Bell CTS U.S.'s adjusted EBITDA

Regulatory environment

Risk

- U.S. regulatory agencies, states and local governments exercise significant control over Ziply Fiber's operations, rates and infrastructure deployment

Potential impact

- Increased state or local regulation, or modification of current obligations, could limit Ziply Fiber's ability to deploy further infrastructure in a state or municipality, and delay expected build timeline

Market environment, technological advancement and changing customer behaviour

Risk

- Slower subscriber growth due to new competitor entrants, combined with potential pressures from the economic environment and reduced discretionary spending
- The competitive advancement of wireless and satellite broadband to compete with fibre offerings making them more attractive to the common users of broadband
- Competitiveness of legacy switched-based services where fibre is not present will contribute to the erosion of legacy revenue

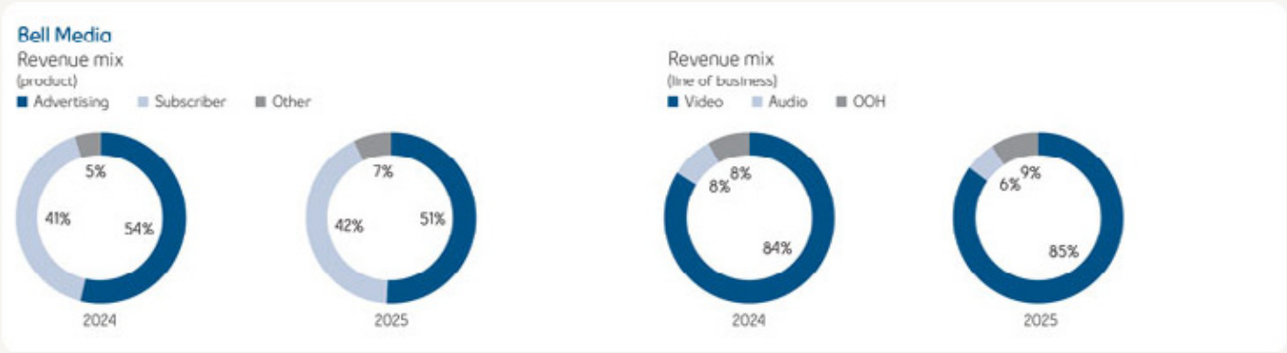
Potential impact

- A maturing wireline and wireless market could challenge subscriber growth and the cost of subscriber acquisition and retention, putting pressure on the financial performance of our business
- The ongoing loss of NAS lines challenges our traditional voice revenues and compels us to build fibre as a competitive offering

5.2 Bell Media

Financial performance analysis

2025 performance highlights



Bell Media results

Revenues

	2025	2024	$ change	% change
External revenues	**2,815**	2,817	(2)	(0.1%)
Inter-segment revenues	**339**	334	5	1.5%
Bell Media operating revenues	**3,154**	3,151	3	0.1%

Bell Media operating revenues were up a modest 0.1% in 2025, compared to last year, due to higher other and subscriber revenues, partly offset by the lower advertising revenues. This included year-over-year growth from digital revenues of 6.0% in 2025.

- **Advertising revenues** decreased by 5.6% in 2025, compared to last year, due to continued lower demand for traditional advertising impacting all traditional platforms, most notably, conventional and entertainment specialty channels. Additionally, the year-over-year decline in advertising revenues reflected reduced audio advertising revenues from the previously announced divestitures of 45 radio stations, partly offset by greater OOH advertising revenues which benefited from the acquisition of OUTEDGE in June 2024, as well as higher digital video advertising revenues from growth in Connected TV and ad-supported subscription tiers on Crave, underscoring Bell Media's shift towards video, audio and OOH digital platforms.
- **Subscriber revenues** increased by 2.7% in the year, compared to 2024, due to the growth in Crave and sports streaming revenues primarily from higher DTC streaming subscribers, moderated by ongoing erosion in BDU subscribers and the benefit in Q3 2024 from retroactive adjustments related to contracts with Canadian TV distributors
- **Other revenues** increased in 2025, compared to last year, due to higher program sales, in part driven by the acquisition of Sphere Abacus, a global content distributor, in May 2025, and greater year-over-year revenues from the F1 Canadian Grand Prix 2025

Operating costs and adjusted EBITDA

	2025	2024	$ change	% change
Operating costs	**(2,372)**	(2,393)	21	0.9%
Adjusted EBITDA	**782**	758	24	3.2%
Adjusted EBITDA margin	**24.8%**	24.1%		0.7 pts

Bell Media operating costs decreased by 0.9% in 2025, compared to last year, due to:

- Content cost savings, partly offset by contractual sports broadcasting rights and programming cost increases
- Savings from cost reduction initiatives, mainly workforce reductions and other operating efficiencies
- Lower expenses related to the radio station divestitures

These factors were partly offset by:

- The operating expenses of OUTEDGE and Sphere Abacus as a result of the acquisitions
- Higher expenses associated with the revenue growth from the F1 Canadian Grand Prix 2025

Bell Media adjusted EBITDA increased by 3.2% in 2025, compared to the prior year, mainly driven by lower operating costs.

Bell Media operating metrics

- Total Crave subscribers at December 31, 2025, increased by 26% over last year to 4.6 million, driven by a 65% increase in Crave DTC streaming subscribers
- For broadcast season 2024-25, CTV maintained its #1 ranking as the most-watched network in Canada for the 24th year in a row among total viewers in primetime, with 9 of the top 20 programs nationally among total viewers
- English specialty and pay TV properties reached 68% of all Canadian English specialty and pay TV viewers in an average week among key viewers aged 25 to 54, while French specialty and pay TV properties reached 66% of Québec French specialty and pay TV viewers in an average week
- Noovo had 2 out of the top 15 most watched regular shows on French conventional TV among viewers aged 25 to 54
- Canadians consume over 750 million hours of Bell Media content in the average month. Consumption of Bell Media content on digital platforms has increased by more than 50% year-over-year across our Crave, TSN, RDS and News brands.
- Astral continues to be a leading OOH solution provider across Canada, offering a range of five product lines: outdoor advertising, street furniture, airport, large digital format and transit

Competitive landscape and industry trends

This section contains forward-looking statements, including statements relating to our business outlook. Refer to the section *Caution regarding forward-looking statements* at the beginning of this MD&A.

Competitive landscape

Competition for content in the Canadian media industry continues to be increasingly concentrated among a small number of global competitors with significant scale and financial resources. Technological advances have enabled new entrants to become media players in their own right, while some incumbents have become more vertically integrated across traditional and emerging platforms to support the acquisition, distribution and monetization of premium content. Global aggregators have also emerged, competing for both content rights and audience attention.

Bell Media competes across the video, audio, OOH advertising and digital media markets:

- **Video**: The video market has become increasingly fragmented and is expected to continue to evolve as new services, platforms and technologies expand the range of information and entertainment options available to consumers. Competition for viewership continues to intensify across linear, on-demand and streaming services as consumer viewing habits shift.
- **Audio**: Competition in the radio broadcasting industry occurs primarily at the local market level among individual stations, while the broader audio market is increasingly influenced by global streaming platforms offering music and podcast content
- **OOH**: The Canadian OOH advertising market is fragmented, comprising a small number of large national operators alongside numerous regional and local providers operating in specific geographic markets
- **Digital media**: Consumer demand for digital media, mobile content and on-demand services continues to grow, driving increased digital adoption across media products. As a result, advertisers are shifting spending toward premium digital video and audio formats on global digital platforms and social media that enable more targeted audience engagement compared to traditional mass-market advertising. In response, Bell Media and other media companies are enhancing their digital capabilities and selling advertising inventory through data-enabled and programmatic buying platforms that support more targeted and measurable advertising solutions.

Competitors

Video

- Conventional Canadian TV stations (local and distant signals) and specialty and pay channels, such as those owned by Corus Entertainment Inc. (Corus), Rogers, Québecor and Canadian Broadcasting Corporation (CBC)/Société Radio-Canada
- U.S. conventional TV stations and specialty channels
- OTT streaming providers such as Netflix, Prime Video, Disney+, Apple TV+, Paramount +, Discovery+ and DAZN
- Digital platforms such as YouTube, TikTok and Instagram
- FAST channels

Audio

- Large radio operators, such as Rogers, Corus, Cogeco and Stingray Group Inc. that also own and operate radio station clusters in various local markets
- Radio stations in specific local markets
- Satellite radio provider SiriusXM
- Podcast networks and distributors
- Music and podcast streaming services such as Spotify, Apple Music and Apple Podcasts
- Music downloading services such as Apple's iTunes Store
- Other media such as newspapers, local weeklies, TV, magazines, outdoor advertising and the Internet

OOH advertising

- Large outdoor and indoor advertisers, such as Allvision, Branded Cities, Lamar Advertising, Pattison Outdoor, Québecor, Vendo Media, REC Media, UB Media, Cineplex, and Rogers Sports & Media
- Numerous smaller and local companies operating a limited number of faces in a few local markets
- Other media such as video, audio, print media and the Internet

Industry trends

Consumers continue to have access to a growing array of online entertainment and information options, with new services introduced regularly. This expansion has contributed to increased fragmentation in viewing and consumption habits. While traditional linear television continues to deliver higher overall viewership relative to other forms of video consumption, the gap is narrowing as audiences increasingly consume content across a broader range of platforms and formats. Viewers are watching more content online, viewing less scheduled programming live, consuming more video on mobile and connected devices, and accessing expanded libraries of on-demand programming.

Streaming services such as Crave, Netflix, Prime Video, Disney+, Apple TV+ and YouTube are widely used by households to complement linear television viewing, with a growing number of consumers using these services as alternatives to traditional linear packages. As content becomes more widely distributed across providers, competition for viewership has intensified, contributing to higher content costs and increasing the need for consumers to subscribe to multiple services. In response, the industry has introduced bundled offerings, lower-priced ad-supported tiers and an expanded range of FAST channels, including platforms such as The Roku Channel, Tubi and Pluto TV. As of 2026, Bell Media operates 13 English- and French-language FAST channels featuring entertainment, factual, news and sports programming, available across multiple distribution platforms, including LG Channels, Samsung TV Plus, Plex, The Roku Channel, Tubi and Bell TV.

Premium video content remains a key differentiator for media companies seeking to attract and retain audiences and advertisers. Live sports and special events, in particular, are expected to continue to draw significant viewership. However, competition for premium content rights has intensified, with global players such as Netflix, Prime Video, Disney+, DAZN, Paramount+ and Apple TV+ increasing demand for content, contributing to higher program rights costs and increased competition for key properties.

Consumer behaviour continues to evolve, prompting media companies to adapt their content, distribution and product strategies. Many companies have expanded DTC offerings to better compete with non-traditional platforms, including Bell Media's bilingual Crave service, TSN and RDS, which are available across a wide range of devices and platforms. While SVOD services continue to dominate the streaming landscape, AVOD and FAST services are experiencing strong growth, driven in part by demand from more price-conscious consumers.

In parallel, advertising buying patterns are shifting across all media platforms. Growth in digital consumption has increased demand for more targeted, data-driven advertising solutions, including self-serve and programmatic buying models. As a result, Bell Media and other media companies are enhancing their advertising platforms and capabilities to offer more targeted and measurable advertising solutions through data-enabled and programmatic channels.

Business outlook and assumptions

This section contains forward-looking statements, including statements relating to our projected financial performance and our business outlook, objectives, plans and strategic priorities. Refer to the section *Caution regarding forward-looking statements* at the beginning of this MD&A.

2026 outlook

Bell Media is targeting positive revenue growth in 2026, driven by continued scaling of digital advertising across Connected TV, DAAI, ad-supported Crave offerings, and growth in global content distribution through Sphere Abacus. The advertising market continues to shift toward digital platforms, while most legacy Canadian TV and radio platforms are experiencing flat to declining audiences. Subscriber revenue growth is expected to be supported by the continued scaling of Crave, TSN and RDS streaming services through expanded distribution, optimized content offerings and ongoing user experience (UX) enhancements. At the same time, continued shifts in media consumption toward competing OTT and digital platforms, as well as ongoing TV cord-shaving and cord-cutting, are expected to continue to pressure legacy media subscriber volumes and revenues.

Bell Media remains focused on advancing its digital-first media strategy, including growing digital revenues and DTC subscribers. The business also continues to emphasize cost discipline by pursuing productivity gains and operational efficiencies across its media properties, while maintaining investment in premium content across all screens and platforms.

Across its media portfolio, particularly in video, Bell Media intends to leverage its market position and enhanced audience targeting capabilities to offer advertisers premium opportunities to reach national and local audiences. Execution in this area depends on the continued acquisition of highly rated and differentiated programming, the maintenance of strategic content supply arrangements across platforms, and the production and commissioning of high-quality Canadian content. Bell Media also plans to continue scaling Connected TV and DAAI, enabling more precise advertising targeting and personalized ad experiences at the household and device level.

Bell Media's sports offerings are expected to remain a significant driver of audience engagement, including coverage of major events such as the 2026 FIFA World Cup. These offerings, together with the continued integration of digital platforms, are central to the strategy to enhance viewership and engagement. Bell Media will also continue to invest in innovative, high-quality sports news and editorial programming.

In non-sports specialty TV, audience performance and advertising revenues are expected to be supported by continued investment in quality programming and original productions.

Crave, Bell Media's bilingual premium streaming service, continues to be a central component of the digital strategy. Following its recent expansion to include additional content, including news, select sports and an expanded kids' offering, Bell Media expects to continue leveraging its premium content portfolio – including HBO, Max, STARZ and original English- and French-language programming – to attract and retain DTC subscribers. Ongoing efforts will focus on expanded distribution and continued platform enhancements.

Bell Media will continue to support original French-language programming, with an emphasis on digital platforms such as Crave, Noovo.ca and iHeartRadio Canada, to better serve French-language audiences through more personalized digital experiences.

Global content distribution is expected to remain an important growth driver through Bell Media's majority ownership of Sphere Abacus, which serves as the primary international distributor of Bell Media's owned content rights. This platform is expected to expand global reach, enhance monetization opportunities and support the international distribution of Canadian content and creators.

In audio, Bell Media intends to continue offering advertisers attractive national and local opportunities, including the scaling of DAAI. In addition, Bell Media will pursue opportunities to leverage synergies across its video and audio properties, including content promotion, expanded content distribution through iHeartRadio Canada and continued operational efficiencies.

In OOH advertising, Bell Media continues to provide advertisers with exposure across key Canadian markets. The business will continue to pursue growth opportunities in digital OOH, including the conversion of select static outdoor structures to digital formats and the development of new digital locations to meet increasing advertiser demand.

Assumptions

- Overall digital revenue expected to reflect scaling of Connected TV, DTC advertising and subscriber growth, as well as digital growth in our OOH business contributing towards the advancement of our digital-first media strategy
- Leveraging of first-party data to improve targeting, advertisement delivery including personalized viewing experience and attribution
- Strategically managing escalating content acquisition and production costs to secure high-quality, differentiated programming across all screens and platforms
- Continued scaling of Crave, TSN, and RDS through expanded distribution, partnerships, content offerings and UX improvements
- Global content distribution growth through majority ownership of Sphere Abacus
- Continued support in original French content with a focus on digital platforms such as Crave, Noovo.ca and iHeartRadio Canada, to better serve our French-language customers through a personalized digital experience
- No adverse material financial, operational or competitive consequences of changes in or implementation of regulations affecting our media business

Key growth drivers

- Continued scaling of Crave, TSN and RDS streaming through expanded distribution including bundles and partnerships
- Continued growth in Connected TV, DAAI, Crave with Ads and FAST channels, as well as digital growth in our OOH business
- Delivery of compelling content to maintain strength in audience performance and scale global content distribution
- Growth in global content distribution through Sphere Abacus

Principal business risks

This section discusses certain principal business risks specifically related to the Bell Media segment. For a detailed description of the other principal risks that could have a material adverse effect on our business, refer to section 9, *Business risks*.

Advertising and subscription revenue uncertainty

Risk

- Advertising is heavily dependent on economic conditions and viewership, and traditional media is under increasing pressure for advertising spend against dominant non-traditional/global digital services
- The advertising market could be further impacted by canceled or delayed advertising campaigns from many sectors due to the economic environment
- Bell Media has contracts with a variety of BDUs, under which monthly subscription fees for specialty and pay TV services are earned, which expire on a specific date

Potential impact

- Economic uncertainty could continue to impact advertisers' spending. Our failure to increase or maintain viewership or capture our share of the changing and fragmented advertising market, including digital revenues, could result in the loss of advertising revenue.
- If we are not successful in obtaining favourable agreements with BDUs, it could result in the loss of subscription revenue

Aggressive competition

Risk

- The intensity of competitive activity from new technologies and alternative distribution platforms such as unregulated OTT content offerings, VOD, personal video platforms, DTC distribution and pirated content, in addition to traditional TV services, in combination with the development of more aggressive product and sales strategies by non-traditional global players with a much larger scale

Potential impact

- Increased competitive activity in combination with the development of more aggressive product and sales strategies could have an adverse impact on the level of subscriptions and/or viewership for Bell Media's TV services and on Bell Media's revenue streams

Rising content costs and ability to secure key content

Risk

- Rising content costs, as an increasing number of domestic and global competitors seek to acquire the same content or to restrict content within their own ecosystems, and the ability to acquire or develop key differentiated content to drive revenues and subscriber growth

Potential impact

- Rising programming costs could require us to incur unplanned expenses, which could result in negative pressure on adjusted EBITDA
- Our inability to acquire or develop popular programming content could adversely affect Bell Media's viewership and subscription levels and, consequently, advertising and subscription revenues

6 Financial and capital management

Our financial resources

This section tells you how we manage our cash and capital resources to carry out our strategy and deliver financial results. It provides an analysis of our financial condition, cash flows and liquidity on a consolidated basis.

6.1 Net debt

	2025	2024	$ change	% change
Long-term debt	**34,904**	32,835	2,069	6.3%
Less: 50% of junior subordinated debt (1)	**(2,149)**	–	(2,149)	n.m.
Debt due within one year	**6,155**	7,669	(1,514)	(19.7%)
50% of preferred shares (2)	**1,644**	1,767	(123)	(7.0%)
Cash	**(314)**	(1,572)	1,258	80.0%
Cash equivalents	**(6)**	–	(6)	n.m.
Short-term investments	**–**	(400)	400	100.0%
Net debt (3)	**40,234**	40,299	(65)	(0.2%)

n.m.: not meaningful

(1) 50% of junior subordinated debt at December 31, 2025 is excluded as it has been afforded equity treatment by certain credit rating agencies.

(2) 50% of outstanding preferred shares of $3,288 million and $3,533 million at December 31, 2025 and December 31, 2024, respectively, are classified as debt consistent with the treatment by some credit rating agencies.

(3) Net debt is a non-GAAP financial measure. See section 11.1, *Non-GAAP financial measures* in this MD&A for more information on this measure.

The decrease of $1,514 million in debt due within one year and the increase $2,069 million in long-term debt were due to:

- the issuance by Bell Canada of Series A Notes, with a total principal amount of $1,000 million in U.S. dollars ($1,416 million in Canadian dollars)
- the issuance by Bell Canada of Series B Notes, with a total principal amount of $1,250 million in U.S. dollars ($1,771 million in Canadian dollars)
- the issuance by Bell Canada of Series C Notes, with a total principal amount of $1,250 million
- the issuance by Bell Canada of Series M-64 MTN debentures, with a total principal amount of $400 million
- the issuance by Bell Canada of Series M-65 MTN debentures, with a total principal amount of $500 million
- the issuance by Bell Canada of Series M-66 MTN debentures, with a total principal amount of $600 million
- the issuance by Bell Canada of Series M-67 MTN debentures, with a total principal amount of $500 million
- an increase in outstanding loans of $487 million in U.S. dollars ($678 million in Canadian dollars) under the Bell Canada unsecured committed term loan facility
- an increase of $1,998 million in U.S. dollars ($2,757 million in Canadian dollars) due to the acquisition of Ziply Fiber comprised of Term Notes with an outstanding principal amount of $1,594 million in U.S. dollars ($2,199 million in Canadian dollars), Secured Fiber Network Revenue Funding Notes (Funding Notes) with an outstanding principal amount of $367 million in U.S. dollars ($506 million in Canadian dollars) and lease liabilities and other debt of $37 million in U.S. dollars ($52 million in Canadian dollars)
- an increase in outstanding loans of $500 million in U.S. dollars ($697 million in Canadian dollars) under a new unsecured term loan facility
- a increase in notes payable (net of repayments) of $452 million

Partly offset by:

- the repayment at maturity of Series M-47 MTN debentures, with a total principal amount of $1,500 million
- the repayment at maturity of Series M-49 MTN debentures, with a total principal amount of $600 million
- the repurchase by Bell Canada, pursuant to tender offers, for an aggregate cash purchase price of $633 million in U.S. dollars ($903 million in Canadian dollars) of:
  - a principal amount of $174 million in U.S. dollars ($249 million in Canadian dollars) of its Series US-2 Notes, that had an outstanding principal amount of $600 million in U.S. dollars ($856 million in Canadian dollars)
  - a principal amount of $79 million in U.S. dollars ($112 million in Canadian dollars) of its Series US-4 Notes, that had an outstanding principal amount of $500 million in U.S. dollars ($713 million in Canadian dollars)
  - a principal amount of $183 million in U.S. dollars ($261 million in Canadian dollars) of its Series US-5 Notes, that had an outstanding principal amount of $600 million in U.S. dollars ($856 million in Canadian dollars)
  - a principal amount of $191 million in U.S. dollars ($273 million in Canadian dollars) of its Series US-6 Notes, that had an outstanding principal amount of $650 million in U.S. dollars ($927 million in Canadian dollars)
  - a principal amount of $217 million in U.S. dollars ($310 million in Canadian dollars) of its Series US-7 Notes, that had an outstanding principal amount of $750 million in U.S. dollars ($1,070 million in Canadian dollars)

- the repurchase by Bell Canada, pursuant to tender offers, for an aggregate cash purchase price of $1,498 million of:
  - a principal amount of $105 million of its Series M-39 MTN debentures, that had an outstanding principal amount of $500 million
  - a principal amount of $100 million of its Series M-45 MTN debentures, that had an outstanding principal amount of $500 million
  - a principal amount of $1,166 million of its Series M-51 MTN debentures, that had an original outstanding principal amount of $1,250 million
  - a principal amount of $460 million of its Series M-55 MTN debentures, that had an outstanding principal amount of $550 million
- a decrease in debt of $636 million due to an early debt redemption gain as a result of the tender offers described above
- the repurchase by Bell Canada, in the open market, for a cash purchase price of $6 million, of a principal amount of $7 million of its Series M-55 MTN debentures, that had an outstanding principal amount of $90 million, following the tender offers described above
- the redemption, prior to maturity, of Series M-41 MTN debentures that had an outstanding principal amount of $750 million, for an aggregate purchase price of $750 million
- the repayment of the outstanding loan of $600 million in U.S. dollars ($814 million in Canadian dollars) under the Bell Mobility Inc. (Bell Mobility) trade loan agreement
- the redemption, prior to maturity, of the outstanding principal amount of $1,594 million in U.S. dollars ($2,192 million in Canadian dollars) of Ziply Fiber's Term Notes
- the redemption, prior to maturity, of the outstanding principal amount of $367 million in U.S. dollars ($509 million in Canadian dollars) of Ziply Fiber's Funding Notes
- a net decrease of $1,058 million mainly due to lower lease liabilities and other debt and foreign exchange fluctuations on U.S. debt for which we have entered into hedges. Refer to section 6.5, *Financial risk management*, of this MD&A for more details.

The decrease in cash of $1,258 million, the decrease in short-term investments of $400 million and the increase in cash equivalents of $6 million were mainly due to:

- $8,965 million of repayment of long-term debt, excluding principal payment of lease liabilities
- $4,905 million for business acquisitions, mainly from the acquisition of Ziply Fiber
- $3,700 million of capital expenditures
- $2,026 million of dividends paid on BCE common shares
- $1,127 million principal payment of lease liabilities
- $216 million paid for the purchase on the open market of BCE common shares for the settlement of share-based payments
- $189 million paid for other financing activities which includes early debt redemption costs at Ziply Fiber
- $182 million paid for the repurchase of BCE preferred shares
- $151 million of dividends paid on BCE preferred shares
- $95 million paid for other investing activities which includes a pre-acquisition loan to Ziply Fiber

Partly offset by:

- $7,809 million of issuance of long-term debt
- $6,993 million of cash flows from operating activities
- $4,684 million of decrease in investments due to the sale of our minority stake in MLSE
- $452 million increase in notes payable (net of repayments)
- $102 million of business dispositions mainly from the sale of our home security and monitored alarm assets and the sale of our Bell Media radio stations

6.2 Outstanding share data

Common shares outstanding	Number of shares
Outstanding, January 1, 2025	**912,283,103**
Shares issued under deferred share plan	**715**
Shares issued under BCE's Shareholder Dividend Reinvestment and Stock Purchase Plan (DRP)	**20,241,999**
Outstanding, December 31, 2025	**932,525,817**

Stock options outstanding	Number of options	Weighted average exercise price ($)
Outstanding, January 1, 2025	**6,545,819**	**61**
Forfeited or expired	**(1,042,645)**	**57**
Outstanding and exercisable, December 31, 2025	**5,503,174**	**62**

At March 5, 2026, 932,525,817 common shares and 8,803,902 stock options were outstanding.

Discounted Treasury Dividend Reinvestment Plan

In Q4 2024, BCE amended its DRP to provide, at the BCE Board's discretion, for the issuance of new common shares from treasury at a 2% discount to the Average Market Price commencing with the dividend payable on January 15, 2025 to eligible shareholders as of the December 16, 2024 record date, and subsequent periods.

On January 15, 2025, 9,540,786 common shares were issued from treasury under the DRP to shareholders of record on December 16, 2024 holding 308,654,258 common shares, for $314 million.

On April 15, 2025, 10,701,213 common shares were issued from treasury under the DRP to shareholders of record on March 14, 2025 holding 312,818,741 common shares, for $319 million.

On May 7, 2025, the BCE Board determined that common shares distributed under BCE's DRP will no longer be issued from treasury at a 2% discount to the average market price and will rather be purchased by BCE's agent, TSX Trust Company, on the secondary market with cash provided by BCE. The modifications became effective commencing with the dividend payable on July 15, 2025 to eligible holders of common shares as of the June 16, 2025 record date, and subsequently until further notice.

6.3 Cash flows

	2025	2024	$ change	% change
Cash flows from operating activities	**6,993**	6,988	5	0.1%
Capital expenditures	**(3,700)**	(3,897)	197	5.1%
Cash dividends paid on preferred shares	**(151)**	(187)	36	19.3%
Cash dividends paid by subsidiaries to NCI	**(51)**	(68)	17	25.0%
Acquisition and other costs paid	**87**	52	35	67.3%
Free cash flow	**3,178**	2,888	290	10.0%
Principal payment of lease liabilities	**(1,127)**	(1,142)	15	1.3%
Free cash flow after payment of lease liabilities (1)	**2,051**	1,746	305	17.5%
Business acquisitions	**(4,905)**	(624)	(4,281)	n.m.
Business dispositions	**102**	–	102	n.m.
Increase in investments	**(83)**	(34)	(49)	n.m.
Decrease in investments	**4,684**	12	4,672	n.m.
Acquisition and other costs paid	**(87)**	(52)	(35)	(67.3%)
Decrease in short-term investments	**400**	600	(200)	(33.3%)
Spectrum licences	**(3)**	(531)	528	99.4%
Other investing activities	**(95)**	36	(131)	n.m.
Increase in notes payable	**452**	1,945	(1,493)	(76.8%)
Issue of long-term debt	**7,809**	3,834	3,975	n.m.
Repayment of long-term debt, excluding principal payment of lease liabilities	**(8,965)**	(2,161)	(6,804)	n.m.
Purchase of shares for settlement of share-based payments	**(216)**	(235)	19	8.1%
Repurchase of preferred shares	**(182)**	(92)	(90)	(97.8%)
Cash dividends paid on common shares	**(2,026)**	(3,613)	1,587	43.9%
Other financing activities	**(189)**	(31)	(158)	n.m.
	(3,304)	(946)	(2,358)	n.m.
Effect of currency exchange rate changes on cash and cash equivalents	**1**	–	1	n.m.
Net (decrease) increase in cash	**(1,258)**	1,025	(2,283)	n.m.
Net increase (decrease) in cash equivalents	**6**	(225)	231	n.m.

n.m.: not meaningful

(1) Free cash flow after payment of lease liabilities is a non-GAAP financial measure. Refer to section 11.1, *Non-GAAP financial measures* in this MD&A for more information on this measure.

Cash flows from operating activities and free cash flow

In 2025, BCE's cash flows from operating activities increased by $5 million, compared to 2024, mainly due to higher cash from working capital and lower income taxes paid, partly offset by settlements on derivatives used to economically hedge equity settled share-based compensation plans, higher severance and other costs paid and higher interest paid.

Free cash flow increased by $290 million in 2025, compared to 2024, mainly due to lower capital expenditures.

Capital expenditures

	2025	2024	$ change	% change
Bell CTS	**3,541**	3,746	205	5.5%
Capital intensity	***16.3%***	*17.3%*		*1.0 pts*
Bell CTS Canada	**3,153**	3,746	593	15.8%
Capital intensity	***14.8%***	*17.3%*		*2.5 pts*
Bell CTS U.S.	**388**	–	(388)	n.m.
Capital intensity	***99.0%***	–		*(99.0) pts*
Bell Media	**159**	151	(8)	(5.3%)
Capital intensity	***5.0%***	*4.8%*		*(0.2) pts*
BCE	**3,700**	3,897	197	5.1%
Capital intensity	***15.1%***	*16.0%*		*0.9 pts*

n.m.: not meaningful

BCE capital expenditures of $3,700 million in 2025, declined by $197 million, compared to 2024, along with a corresponding capital intensity ratio of 15.1%, down 0.9 pts over last year. The year-over-year reduction in 2025 capital expenditures reflected the following:

- Lower capital investments in Bell CTS Canada of $593 million in 2025, compared to 2024, consistent with the planned reduction in capital spending in Canada, primarily from slower FTTP footprint expansion, partly as a result of regulatory decisions that discourage network investment
- Capital expenditures of $388 million in Bell CTS U.S. in 2025, compared to nil last year, as a result of the acquisition of Ziply Fiber on August 1, 2025. Capital investments were focused on the continued expansion of Ziply Fiber's FTTP network in the U.S.

Business acquisitions

On August 1, 2025, Bell Canada completed the acquisition of Ziply Fiber, the leading fibre Internet provider in the Pacific Northwest of the U.S., for cash consideration of $3.64 billion in U.S. dollars ($5.01 billion in Canadian dollars) which was $3.52 billion in U.S. dollars net of cash acquired ($4.84 billion in Canadian dollars net of cash acquired).

On July 2, 2024, Bell Canada acquired Stratejm Inc. for cash consideration of $78 million ($73 million net of cash acquired) and additional cash consideration contingent on the achievement of certain performance objectives. This contingent consideration is expected to be settled by 2027 and the maximum amount payable is $20 million.

On June 7, 2024, Bell Media completed the acquisition of OUTFRONT Media Inc.'s Canadian OOH media business, OUTEDGE, for cash consideration of $429 million ($418 million net of cash acquired). Pursuant to a consent agreement negotiated with the Competition Bureau, in April 2025, Bell Media disposed of 669 advertising displays in Québec and Ontario for proceeds of $14 million.

Business dispositions

In the first half of 2025, Bell Media completed the sale of substantially all of the 45 radio stations and related assets. Proceeds for the stations and other radio related assets are expected to be $53 million. As of December 31, 2025, Bell Media had received proceeds of $44 million.

In Q2 2025, BCE entered into an agreement to sell substantially all of its home security and monitored alarm assets to a.p.i. ALARM Inc. On October 1, 2025, BCE completed the previously announced sale to a.p.i. ALARM Inc. for $170 million. We have received proceeds of $65 million and expect to receive $25 million in 2027 and up to $80 million will also be received in 2027 contingent on the achievement of certain performance objectives.

Decrease in investments

On July 1, 2025, BCE completed the previously announced disposition of its minority stake in MLSE. We recorded gross proceeds of $4.7 billion.

Spectrum licences

On November 30, 2023, Bell Mobility secured the right to acquire 939 licences of 3800 MHz spectrum across Canada for $518 million. On January 17, 2024, Bell made a first payment of $104 million to ISED. The remaining balance of $414 million was paid on May 29, 2024, at which time Bell acquired the 3800 MHz spectrum licences.

Debt instruments

We use a combination of short-term and long-term debt to finance our operations. Our short-term debt consists mostly of notes payable under commercial paper programs, loans securitized by receivables and wireless device financing plan receivables, and bank facilities. We usually pay fixed rates of interest on our long-term debt and floating rates on our short-term debt. As at December 31, 2025, all of our debt was denominated in Canadian dollars with the exception of our commercial paper, Bell Mobility trade loans, our U.S. Series of Notes, our U.S. Fixed-to-Fixed Rate Junior Subordinated Notes and certain loans under unsecured term loan agreements, which are denominated in U.S. dollars and have been hedged for foreign currency and interest rate fluctuations. Refer to section 6.5, Financial risk management*, of this MD&A for more details.*

2025

During 2025, we repaid debt, net of issuances. This included:

- $10,092 million repayment of long-term debt comprised of:
  - the repayment at maturity of Series M-47 MTN debentures with a total principal amount of $1,500 million
  - the repayment at maturity of Series M-49 MTN debentures with a total principal amount of $600 million
  - the repurchase by Bell Canada, pursuant to tender offers, for an aggregate cash purchase price of $633 million in U.S. dollars ($903 million in Canadian dollars), of an aggregate principal amount of $844 million in U.S. dollars ($1,205 million in Canadian dollars), representing part of the outstanding principal amount of five of its series of U.S. notes. Refer to section 6.1, *Net debt*, of this MD&A for more details.
  - the repurchase by Bell Canada, pursuant to tender offers, for an aggregate cash purchase price of $1,498 million, of an aggregate principal amount of $1,831 million representing part of the outstanding principal amount of four of its series of MTN debentures. Refer to section 6.1, *Net Debt*, of this MD&A for more details.
  - the repurchase by Bell Canada, in the open market, for a cash purchase price of $6 million, of a principal amount of $7 million of its Series M-55 MTN debentures, that had an outstanding principal amount of $90 million, following the tender offers described above
  - the redemption, prior to maturity, of Series M-41 MTN debentures that had an outstanding principal amount of $750 million, for an aggregate purchase price of $750 million
  - the repayment of the outstanding loan of $600 million in U.S. dollars ($814 million in Canadian dollars) under the Bell Mobility trade loan agreement

- the redemption, prior to maturity, of the outstanding principal amount of $1,594 million in U.S. dollars ($2,192 million in Canadian dollars) of Ziply Fiber's Term Notes
- the redemption, prior to maturity, of the outstanding principal amount of $367 million in U.S. dollars ($509 million in Canadian dollars) of Ziply Fiber's Funding Notes
- principal payment of lease liabilities of $1,127 million
- net payments of other debt of $193 million

Partly offset by:

- $7,809 million issuance of long-term debt comprised of:
  - the issuance of Series A Notes with a total principal amount of $1,000 million U.S. dollars ($1,416 million in Canadian dollars)
  - the issuance of Series B Notes with a total principal amount of $1,250 million U.S. dollars ($1,771 million in Canadian dollars)
  - the issuance of Series C Notes with a total principal amount of $1,250 million
  - the issuance by Bell Canada of Series M-64 MTN debentures, with a total principal amount of $400 million
  - the issuance by Bell Canada of Series M-65 MTN debentures, with a total principal amount of $500 million
  - the issuance by Bell Canada of Series M-66 MTN debentures, with a total principal amount of $600 million
  - the issuance by Bell Canada of Series M-67 MTN debentures, with a total principal amount of $500 million
  - an increase in outstanding loans of $487 million in U.S. dollars ($678 million in Canadian dollars) under the Bell Canada unsecured committed term loan facility
  - an increase in outstanding loans of $500 million in U.S. dollars ($697 million in Canadian dollars) under a new unsecured term loan facility
  - the issuance of $3 million of other debt
  - partly offset by $6 million of discounts on our debt issuances
- $452 million issuance (net of repayments) of notes payable

2024

During 2024, we issued debt, net of repayments. This included:

- $3,834 million issuance of long-term debt comprised of:
  - the issuance of Series US-9 Notes with a total principal amount of $700 million in U.S. dollars ($942 million in Canadian dollars)
  - the issuance of Series US-10 Notes with a total principal amount of $750 million in U.S. dollars ($1,009 million in Canadian dollars)
  - the issuance of Series M-61 MTN debentures with a total principal amount of $400 million
  - the issuance of Series M-63 MTN debentures with a total principal amount of $1,100 million
  - the increase of $324 million in outstanding loans under the Bell Mobility uncommitted trade loan agreement
  - the issuance of other debt of $66 million, partly offset by $7 million of discounts on our debt issuances
- $1,945 million issuance (net of repayments) of notes payable

Partly offset by:

- $3,303 million repayment of long-term debt comprised of:
  - the repayment of Series M-44 MTN debentures with a total principal amount of $1,000 million
  - the repayment of Series US-3 Notes with a total principal amount of $600 million in U.S. dollars ($748 million in Canadian dollars)
  - the repayment of Series 10 Notes with a total principal amount of $225 million
  - principal payment of lease liabilities of $1,142 million
  - net payments of other debt of $188 million

Repurchase of preferred shares

In 2025, BCE repurchased and canceled 9,848,200 First Preferred Shares under its NCIB for a total cost of $182 million.

Subsequent to year end, BCE repurchased and canceled 1,169,641 First Preferred Shares under its NCIB for a total cost of $24 million.

In 2024, BCE repurchased and canceled 5,346,488 First Preferred Shares under its NCIB for a total cost of $92 million.

Cash dividends paid on common shares

In 2025, cash dividends paid on common shares of $2,026 million decreased by $1,587 million, compared to 2024, as 20,241,999 common shares were issued from treasury under the DRP, for $633 million, and due to a lower dividend paid in 2025 of $2.87 per common share compared to $3.96 per common share in 2024.

6.4 Post-employment benefit plans

For the year ended December 31, 2025, we recorded an increase in our post-employment benefit plans and a gain, before taxes, in OCI of $859 million, mainly due to an increase in the discount rate to 4.9% at December 31, 2025, compared to 4.7% at December 31, 2024 and a higher-than-expected return on plan assets.

For the year ended December 31, 2024, we recorded an increase in our post-employment benefit plans and a gain, before taxes, in OCI of $796 million, due to a higher-than-expected return on plan assets, and an increase in the discount rate to 4.7% at December 31, 2024, compared to 4.6% at December 31, 2023, partly offset by an increase in the effect of the asset limit.

6.5 Financial risk management

Management's objectives are to protect BCE and its subsidiaries on a consolidated basis against material economic exposures and variability of results from various financial risks, including credit risk, liquidity risk, foreign currency risk, interest rate risk, equity price risk and longevity risk. These risks are further described in Note 2, *Material accounting policies*, Note 10, *Other income (expense)*, Note 28, *Post-employment benefit plans* and Note 30, *Financial and capital management* in BCE's 2025 consolidated financial statements.

The following table outlines our financial risks, how we manage these risks and their financial statement classification.

Financial risk	Description of risk	Management of risk and financial statement classification
Credit risk	We are exposed to credit risk from operating activities and certain customer financing activities, the maximum exposure of which is represented by the carrying amounts reported in the consolidated statements of financial position (statements of financial position). We are exposed to credit risk if counterparties to our trade and other receivables, contract assets, derivative instruments and long-term receivables, including wireless device financing plan receivables, are unable to meet their obligations.	• Large and diverse customer base • Deal with institutions with investment-grade credit ratings • Regularly monitor our credit risk and credit exposure, and consider, among other factors, the effects of changes in interest rates and inflation • Our trade receivables and allowance for doubtful accounts balances at December 31, 2025, which both include the current portion of wireless device financing plan receivables, were $4,113 million and $164 million, respectively • Our non-current wireless device financing plan receivables and allowance for doubtful accounts balances at December 31, 2025 were $399 million and $11 million, respectively • Our contract assets balance at December 31, 2025 was $847 million, net of an allowance for doubtful accounts balance of $12 million
Liquidity risk	We are exposed to liquidity risk for financial liabilities.	• Our cash, cash equivalents, short-term investments, amounts available under our securitized receivables program, cash flows from operations and possible capital markets financing are expected to be sufficient to fund our operations and fulfill our obligations as they become due. Should our cash requirements exceed the above sources of cash, we would expect to cover such a shortfall by drawing on existing committed bank facilities and new debt, to the extent available • Refer to section 6.7, *Liquidity – Contractual obligations*, for a maturity analysis of our recognized financial liabilities
Foreign currency risk	We are exposed to foreign currency risk related to anticipated purchases and certain foreign currency debt. A 10% depreciation (appreciation) in the value of the Canadian dollar relative to the U.S. dollar would result in a loss of $22 million (loss of $15 million) recognized in net earnings at December 31, 2025 and a gain of $146 million (loss of $126 million) recognized in *OCI* at December 31, 2025, with all other variables held constant. Refer to the following *Fair value* section for details on our derivative financial instruments.	• At December 31, 2025, we had outstanding foreign currency forward contracts and options maturing from 2026 to 2028 of $4.2 billion in U.S. dollars ($5.7 billion in Canadian dollars) and ₱3.3 billion in Philippine pesos ($79 million in Canadian dollars), to manage foreign currency risk related to anticipated purchases and certain foreign currency debt ◦ For cash flow hedges relating to anticipated purchases denominated in foreign currencies, changes in the fair value of these derivatives are recognized in our statements of comprehensive income, except for any ineffective portion of the hedging relationship, which is recognized in *Other income (expense)* in the income statements. Realized gains and losses in *Accumulated other comprehensive income (loss) (Accumulated OCI)* are reclassified to the income statements or to the initial cost of the related non-financial asset in the same periods as the corresponding hedged transactions are recognized. ◦ For cash flow hedges relating to our U.S. dollar debt under our commercial paper program and securitization of receivables program, changes in the fair value of these derivatives are recognized in *Other income (expense)* in the income statements and offset the foreign currency translation adjustment on the related debt, except for any portion of the hedging relationship which is ineffective ◦ For economic hedges, changes in the fair value are recognized in *Other income (expense)* in the income statements • At December 31, 2025, we had outstanding cross currency interest rate swaps with notional amounts of $7,584 million in U.S. dollars ($10,227 million in Canadian dollars) to hedge the U.S. currency exposure of our U.S. Notes maturing from 2030 to 2055 ◦ For these cross currency interest rate swaps, changes in the fair value of these derivatives are recognized in *OCI*, except for amounts recorded in *Other income (expense)* in the income statements to offset the foreign currency translation adjustment on the related debt and any portion of the hedging relationship which is ineffective • At December 31, 2025, we designated an unsecured term loan of $500 million in U.S. dollars ($697 million in Canadian dollars) to partially hedge the U.S. currency exposure related to our net investment in Ziply Fiber. ◦ Foreign currency translation gains and losses related to this U.S. dollar long-term debt are recognized in *OCI* to partially offset the corresponding cumulative translation adjustment. • At December 31, 2025, we had outstanding amortizing cross currency interest rate swaps with a notional amount of $487 million in U.S. dollars ($678 million in Canadian dollars) to hedge the U.S. currency exposure on other debt maturing in 2029. ◦ For these amortizing cross currency interest rate swaps, changes in the fair value of these derivatives are recognized in *OCI*, except for amounts recorded in *Other income (expense)* in the income statements to offset the foreign currency translation adjustment on the related debt and any portion of the hedging relationship which is ineffective • At December 31, 2025, we had outstanding foreign exchange swaps with notional amounts of $372 million in U.S. dollars ($521 million in Canadian dollars) to hedge the U.S. currency exposure of our U.S. Notes. ◦ For these foreign exchange swaps, changes in the fair value of these derivatives are recognized in *OCI*, except for amounts recorded in *Other income (expense)* in the income statements to offset the foreign currency translation adjustment on the related debt and any portion of the hedging relationship which is ineffective.

Financial risk	Description of risk	Management of risk and financial statement classification

Interest rate risk	We are exposed to risk on the interest rates of our debt, our post-employment benefit plans and on dividend rate resets on our preferred shares.
	
	A 1% increase (decrease) in interest rates would result in a loss of $32 million (gain of $26 million) recognized in net earnings at December 31, 2025, and a gain of $3 million (loss of $4 million) recognized in *OCI* at December 31, 2025, with all other variables held constant.
	
	Refer to the following *Fair value* section for details on our derivative financial instruments.
		• We use interest rate swaps, cross currency basis rate swaps, cross currency interest rate swaps, forward starting interest rate swaps, amortizing interest rate swaps, interest rate swaptions and interest rate floors to hedge interest rate exposure on existing and/or future debt issuances. We also use leveraged interest rate options to hedge economically the dividend rate resets on preferred shares.
		• At December 31, 2025, we had outstanding interest rate swaps with a notional amount of $595 million to hedge the fair value of our Series M-62 MTN debentures maturing in 2029
		  ◦ For interest rate swaps, changes in the fair value of these derivatives and the related debt are recognized in *Other income (expense)* in the income statements and offset each other, except for any ineffective portion of the hedging relationship
		• At December 31, 2025, we had outstanding interest rate swaps with a notional amount of $250 million to hedge the fair value of our series M-52 MTN debentures maturing in 2030
		  ◦ For interest rate swaps, changes in the fair value of these derivatives and the related debt are recognized in *Other income (expense)* in the income statements and offset each other, except for any ineffective portion of the hedging relationship
		• At December 31, 2025, we had outstanding interest rate swaps with a notional amount of $350 million to hedge the fair value of our series M-57 MTN debentures maturing in 2032
		  ◦ For interest rate swaps, changes in the fair value of these derivatives and the related debt are recognized in *Other income (expense)* in the income statements and offset each other, except for any ineffective portion of the hedging relationship
		• At December 31, 2025, we had outstanding interest rate swaps with a notional amount of $372 million in U.S dollars ($531 million in Canadian dollars), maturing in 2035, to hedge the fair value of our Series B Notes maturing in 2055
		  ◦ For interest rate swaps, changes in the fair value of these derivatives and the related debt are recognized in *Other income (expense)* in the income statements and offset each other, except for any ineffective portion of the hedging relationship
		• At December 31, 2025, we had outstanding interest rate swaps with a notional amount of $300 million to hedge the fair value of our series M-66 MTN debentures maturing in 2036
		  ◦ For interest rate swaps, changes in the fair value of these derivatives and the related debt are recognized in *Other income (expense)* in the income statements and offset each other, except for any ineffective portion of the hedging relationship
		• At December 31, 2025, we had outstanding interest rate swaps with a notional amount of $300 million to hedge the fair value of our series M-65 MTN debentures maturing in 2033
		  ◦ For interest rate swaps, changes in the fair value of these derivatives and the related debt are recognized in *Other income (expense)* in the income statements and offset each other, except for any ineffective portion of the hedging relationship
		• At December 31, 2025, we had outstanding interest rate swaps with a notional amount of $200 million to hedge the fair value of our series M-45 MTN debentures maturing in 2047
		  ◦ For interest rate swaps, changes in the fair value of these derivatives and the related debt are recognized in *Other income (expense)* in the income statements and offset each other, except for any ineffective portion of the hedging relationship
		• At December 31, 2025, we had outstanding interest rate swaps with a notional amount of $200 million, maturing in 2028, to hedge the interest costs of our series M-45 MTN debentures maturing in 2047
		  ◦ For interest rate swaps, changes in the fair value of these derivatives and the related debt are recognized in *Other income (expense)* in the income statements and offset each other, except for any ineffective portion of the hedging relationship
		• At December 31, 2025, we had outstanding forward starting interest rate swaps, effective from 2028 with a notional amount of $125 million to hedge the fair value of our series M-59 MTN debentures maturing in 2053
		  ◦ For forward starting interest rate swaps, changes in the fair value of these derivatives and the related debt are recognized in *Other income (expense)* in the income statements and offset each other, except for any ineffective portion of the hedging relationship
		• At December 31, 2025, we had outstanding forward starting interest rate swaps, effective from 2028 with a notional amount of $400 million to hedge the fair value of our series M-61 MTN debentures maturing in 2053
		  ◦ For forward starting interest rate swaps, changes in the fair value of these derivatives and the related debt are recognized in *Other income (expense)* in the income statements and offset each other, except for any ineffective portion of the hedging relationship
		• At December 31, 2025, we had an outstanding amortizing interest rate swap with a notional amount of $69 million to hedge the interest rate exposure on other debt maturing in 2028
		  ◦ For amortizing interest rate swaps, changes in the fair value of these derivatives are recognized in our statements of comprehensive income
		• At December 31, 2025, we had outstanding leveraged interest rate options to hedge economically the dividend rate resets on $582 million of our preferred shares which had varying reset dates in 2021 for the periods ending in 2026
		  ◦ For leveraged interest rate options, changes in the fair value of these derivatives are recognized in the income statements in *Other income (expense)*
		• For our post-employment benefit plans, the interest rate risk is managed using a liability matching approach, which reduces the exposure of the DB plans to a mismatch between investment growth and obligation growth

Financial risk	Description of risk	Management of risk and financial statement classification
Equity price risk	We are exposed to risk on our cash flow related to the settlement of equity settled share-based payment plans. A 5% increase (decrease) in the market price of BCE's common shares would result in a gain (loss) of $16 million recognized in net earnings at December 31, 2025, with all other variables held constant. Refer to the following *Fair value* section for details on our derivative financial instruments.	• At December 31, 2025, we had outstanding equity forward contracts with a fair value net liability of $187 million on BCE's common shares to economically hedge the cash flow exposure related to the settlement of equity settled share-based compensation plans • Changes in the fair value of these derivatives are recorded in the income statements in *Other income (expense)*
Longevity risk	We are exposed to life expectancy risk on our post-employment benefit plans.	• The Bell Canada Pension Plan has an investment arrangement which hedges part of its exposure to potential increases in longevity, which covers approximately $3 billion of post-employment benefit obligations • Changes in the fair value of the longevity swap are recognized in our statements of comprehensive income

Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Certain fair value estimates are affected by assumptions we make about the amount and timing of future cash flows and discount rates, all of which reflect varying degrees of risk. Income taxes and other expenses that may be incurred on disposition of financial instruments are not reflected in the fair values. As a result, the fair values may not be the net amounts that would be realized if these instruments were settled.

The carrying values of cash, cash equivalents, short-term investments, trade and other receivables, trade payables and other liabilities, interest payable, dividends payable, notes payable and loans secured by receivables approximate fair value as they are short-term. The carrying value of long-term receivables, including wireless device financing plan receivables, approximates fair value given that their average remaining duration is short and their carrying value is reduced by an allowance for doubtful accounts and an allowance for revenue adjustments. The carrying values of our term loan facilities and the Bell Mobility trade loans approximate fair value given they bear interest at a variable rate.

The following table provides the fair value details of other financial instruments measured at amortized cost in the statements of financial position.

			December 31, 2025		December 31, 2024	
	Classification	Fair value methodology	**Carrying value**	**Fair value**	Carrying value	Fair value [1]
Debt securities and other debt	Debt due within one year and long-term debt	Quoted market price of debt	**31,236**	**31,286**	31,247	30,022

(1) We have presented amounts from the previous period to make them consistent with the presentation of the current period.

The following table provides the fair value details of financial instruments measured at fair value in the statements of financial position.

			Fair value		
	Classification	**Carrying value of asset (liability)**	**Quoted prices in active markets for identical assets (level 1)**	**Observable market data (level 2)** [1]	**Non-observable market inputs (level 3)** [2]
December 31, 2025					
Publicly-traded and privately-held investments [3]	Other non-current assets	**1,198**	**105**	**–**	**1,093**
Derivative financial instruments	Other current assets, trade payables and other liabilities, other non-current assets and liabilities	**(513)**	**–**	**(513)**	**–**
Investments	Other non-current assets	**246**	**–**	**246**	**–**
December 31, 2024					
Publicly-traded and privately-held investments [3]	Other non-current assets	877	35	–	842
Derivative financial instruments	Other current assets, trade payables and other liabilities, other non-current assets and liabilities	(368)	–	(368)	–
Investments	Other non-current assets	225	–	225	–

(1) Observable market data such as equity prices, interest rates, swap rate curves and foreign currency exchange rates.

(2) Non-observable market inputs such as discounted cash flows, prices of comparable investments and revenue and earnings multiples. For certain privately-held investments, changes in our valuation assumptions may result in a significant change in the fair value of our level 3 financial instruments.

(3) Unrealized gains and losses are recorded in *OCI* in the statements of comprehensive income and are reclassified from *Accumulated OCI* to the *Deficit* in the statements of financial position when realized.

6.6 Credit ratings

Credit ratings generally address the ability of a company to repay principal and pay interest on debt or dividends on issued and outstanding preferred shares.

Our ability to raise financing depends on our ability to access the public equity and debt capital markets, the money market, as well as the bank credit market. Our ability to access such markets and the cost and amount of funding available partly depend on our assigned credit ratings at the time capital is raised. Investment grade credit ratings usually mean that when we borrow money, we can obtain lower interest rates than companies that have ratings lower than investment grade. A ratings downgrade could result in adverse consequences for our funding cost and capacity, and our ability to access the capital markets, the money market and/or bank credit market.

The following table provides BCE's and Bell Canada's credit ratings as at March 5, 2026 from DBRS, Moody's and S&P.

Key credit ratings

	Bell Canada [1]		
March 5, 2026	DBRS	Moody's	S&P
Commercial paper	R-2 (middle)	P-2	A-2 (Canadian scale) A-2 (Global scale)
Senior (unsubordinated) long-term debt	BBB	Baa2	BBB
Subordinated long-term debt	BB (high)	Baa3	BBB-
Junior subordinated long-term debt	BB (high)	Baa3	BB+

	BCE [1]		
	DBRS	Moody's	S&P
Preferred shares	Pfd-3	–	P-3 (High) (Canadian scale) BB+ (Global scale)

(1) These credit ratings are not recommendations to buy, sell or hold any of the securities referred to, and they may be revised or withdrawn at any time by the assigning rating agency. Ratings are determined by the rating agencies based on criteria established from time to time by them, and they do not comment on market price or suitability for a particular investor. Each credit rating should be evaluated independently of any other credit rating.

On May 8, 2025, S&P revised its outlook on BCE and Bell Canada to negative from stable principally as a result of ongoing debt leverage above S&P's thresholds for the current ratings. However, S&P affirmed all of BCE's and Bell Canada's existing ratings.

On May 16, 2025, DBRS downgraded Bell Canada's issuer rating to BBB from BBB (high), senior (unsubordinated) long-term debt rating to BBB from BBB (high), subordinated long-term debt rating to BB (high) from BBB (low), junior subordinated long-term debt rating to BB (high) from BBB (low) and commercial paper rating to R-2 (middle) from R-2 (high). In addition, DBRS downgraded BCE's issuer rating to BBB (low) from BBB. BCE's preferred shares rating was confirmed at Pfd-3. Consequently, DBRS removed the credit ratings from "Under Review with Negative Implications", where they were placed on November 5, 2024. The outlook associated with the DBRS ratings is stable. The downgrades were principally as a result of ongoing debt leverage above DBRS' thresholds for the prior ratings. All of the new ratings on Bell Canada's senior (unsubordinated) long-term debt and commercial paper remain investment grade according to DBRS' rating scale with DBRS' BBB (low) rating representing its last investment grade rating rank for long-term debt and R-2 (low) rating representing its last investment grade rating rank for short-term debt. The new BB (high) rating for Bell Canada's subordinated long-term debt and junior subordinated long-term debt is considered the highest rating below an investment grade rating on DBRS' rating scale.

As of March 5, 2026, BCE's and Bell Canada's credit ratings also had a stable outlook from Moody's.

6.7 Liquidity

This section contains forward-looking statements, including statements relating to our planned capital expenditures, our expected post-employment benefit plans funding, BCE's common share dividend and common share dividend payout policy, and the sources of liquidity we expect to use to meet our 2026 cash requirements. Refer to the section *Caution regarding forward-looking statements* at the beginning of this MD&A.

Available liquidity

Total available liquidity at December 31, 2025 was $2.5 billion, comprised of $314 million in cash, $6 million in cash equivalents, $700 million available under our securitized receivables program and $1.5 billion available under our $4.0 billion committed revolving and expansion credit facilities (given $2.5 billion of commercial paper outstanding).

On July 1, 2025, BCE completed the previously announced disposition of its 37.5% ownership stake in MLSE for gross proceeds of $4.7 billion. BCE directed the net proceeds of this disposition towards the acquisition of Ziply Fiber.

We expect that our cash, cash equivalents, short-term investments, amounts available under our securitized receivables program, cash flows from operations and possible capital markets financings will permit us to meet our cash requirements in 2026 for capital expenditures, post-employment benefit plans funding, dividend payments, the payment of contractual obligations, maturing debt, ongoing operations and other cash requirements.

Should our 2026 cash requirements exceed our cash, cash equivalents, short-term investments, cash generated from our operations, and funds raised under capital markets financings and our securitized receivables program, we would expect to cover such a shortfall by drawing under committed credit facilities that are currently in place or through new facilities to the extent available.

In 2026, our cash flows from operations, cash, cash equivalents, short-term investments, capital markets financings, securitized receivables program and credit facilities should give us flexibility in carrying out our plans for business growth, including business acquisitions, as well as for the payment of contingencies.

We continuously monitor our operations, capital markets and the Canadian economy with the objective of maintaining adequate liquidity.

Securitization program

Our securitized receivables program is recorded as floating rate revolving loans secured by certain receivables. The securitization program includes a financing cost that varies based on our performance of certain sustainability performance targets.

We continue to service trade receivables and wireless device financing plan receivables under the securitization program, which matures in June 2027 unless terminated prior to maturity. The lenders' interest in the collection of these receivables ranks ahead of our interests, which means that we are exposed to certain risks of default on the amounts securitized.

We have provided various credit enhancements in the form of overcollateralization and subordination of our retained interests.

The lenders have no further claim on our other assets if customers do not pay the amounts owed.

As of December 31, 2025, the balance of loans secured by receivables was $1.2 billion in U.S. dollars ($1.6 billion in Canadian dollars) and the total receivable balance collateralized under the program was $3.5 billion. The foreign currency risk on these loans is managed using foreign currency forward contracts. See section 6.5, *Financial risk management* in this MD&A for additional details.

Credit facilities

The table below is a summary of our total bank credit facilities at December 31, 2025.

December 31, 2025	Total available	Drawn	Letters of credit	Commercial paper outstanding	Net available
Committed credit facilities					
Unsecured revolving and expansion credit facilities (1) (2)	**4,000**	**–**	**–**	**2,550**	**1,450**
Unsecured committed term loan facility	**960**	**668**	**–**	**–**	**292**
Unsecured term loan facility	**686**	**686**	**–**	**–**	**–**
Unsecured non-revolving credit facilities	**641**	**55**	**–**	**–**	**586**
Other	**106**	**–**	**71**	**–**	**35**
Total committed credit facilities	**6,393**	**1,409**	**71**	**2,550**	**2,363**
Non-committed credit facilities					
Bell Canada	**1,840**	**–**	**604**	**–**	**1,236**
Total non-committed credit facilities	**1,840**	**–**	**604**	**–**	**1,236**
Total committed and non-committed credit facilities	**8,233**	**1,409**	**675**	**2,550**	**3,599**

(1) Bell Canada's $2.7 billion committed revolving credit facility expires in December 2030 and its $1.3 billion committed expansion credit facility expires in December 2028.

(2) As of December 31, 2025, Bell Canada's outstanding commercial paper included $1,861 million in U.S. dollars ($2,550 million in Canadian dollars). All of Bell Canada's commercial paper outstanding is included in *Debt due within one year*.

Bell Canada may issue notes under its Canadian and U.S. commercial paper programs up to the maximum aggregate principal amount of $3.0 billion in either Canadian or U.S. currency provided that at no time shall such maximum amount of notes exceed $3.5 billion in Canadian currency.

On September 23, 2025, Bell Canada entered into a $500 million in U.S. dollars ($692 million in Canadian dollars) unsecured term loan agreement to finance certain transactions in the U.S. On September 26, 2025, $500 million in U.S. dollars ($697 million in Canadian dollars) was drawn under this loan agreement. The term loan is repayable at maturity in September 2032. The loan agreement has been designated as a net investment hedge of Bell Canada's investment in Ziply Fiber.

On April 14, 2025, Bell Canada entered into a $700 million in U.S. dollars ($972 million in Canadian dollars) unsecured committed term loan agreement to finance certain purchase obligations. A first loan advance in the amount of $228 million in U.S. dollars ($315 million in Canadian dollars) was made on April 29, 2025. On August 19, 2025, a second loan advance in the amount of $148 million in U.S. dollars ($206 million in Canadian dollars) was made. On November 4, 2025, a third loan advance in the amount of $111 million in U.S. dollars ($157 million in Canadian dollars) was made. Subsequent to year end, on January 28, 2026, a fourth loan advance of $102 million in U.S. dollars ($139 million in Canadian dollars) was made. The term loans are repayable in multiple periodic installments between July 2026 until maturity of the credit facility in April 2029. The loan advances have been hedged for foreign currency fluctuations.

On November 1, 2024, Bell Canada entered into a commitment letter (Commitment Letter) for a $3,700 million unsecured term loan facility (Ziply Term Facility) denominated in U.S. dollars ($5,048 million in Canadian dollars) that was available to be drawn to finance the acquisition of Ziply Fiber. In Q1 2025 and pursuant to the terms and conditions of the Commitment Letter, Bell Canada made reductions of $965 million in U.S. dollars ($1,387 million in Canadian dollars) in the aggregate amount of the Commitment Letter. On April 15, 2025, Bell Canada made further reductions of $225 million in U.S. dollars ($314 million in Canadian dollars) in the aggregate amount of the Commitment Letter. On July 2, 2025, Bell Canada terminated the Ziply Term Facility and canceled the remaining $2,510 million in U.S. dollars ($3,419 million in Canadian dollars) in the aggregate amount of the Commitment Letter as a result of the completion of the previously announced disposition of its minority stake in MLSE.

Some of our credit agreements require us to meet specific financial ratios and to offer to repay and cancel the credit agreement upon a change of control of BCE or Bell Canada. In addition, some of our debt agreements require us to make an offer to repurchase certain series of debt securities upon the occurrence of a change of control event as defined in the relevant debt agreements. We are in compliance with all conditions and restrictions under such agreements.

Supplier finance arrangements

Supplier finance arrangements are agreements whereby a finance provider pays amounts to a participating supplier in respect of invoices owed by BCE and receives the settlement from BCE at a later date. These arrangements have an average term of 5 years, whereas comparable trade payables would have payment terms between 30 and 60 days.

Cash requirements

Capital expenditures

In 2026, we expect our planned capital spending to be focused on our strategic priorities as outlined at our 2025 Investor Day, reflecting a reduction in Canada on capital spending attributable to slower FTTP footprint expansion, partly offset by an increase in annual spending allocated towards strategic investments, FTTP expansion in the U.S. and growth initiatives.

Post-employment benefit plans funding

Our post-employment benefit plans include DB pension and DC pension plans, as well as other post-employment benefits (OPEBs) plans. The funding requirements of our post-employment benefit plans, resulting from valuations of our plan assets and liabilities, depend on a number of factors, including actual returns on post-employment benefit plan assets, long-term interest rates, plan demographics, and applicable regulations and actuarial standards. Actuarial valuations were last performed for our significant post-employment benefit plans as at December 31, 2024.

We expect to contribute approximately $30 million to our DB pension plans in 2026, subject to actuarial valuations being completed. We expect to contribute approximately $5 million to the DC pension plans and to pay approximately $60 million to beneficiaries under OPEB plans in 2026.

Common share dividend

On February 5, 2026, the BCE Board declared a quarterly dividend of $0.4375 per common share, payable on April 15, 2026 to shareholders of record at the close of business on March 16, 2026. BCE's dividend policy, setting the common share dividend rate and the declaration of dividends are subject to the discretion of the BCE Board and, consequently, there can be no guarantee that BCE's dividend payout policy will be maintained or achieved, that the dividend on common shares will be maintained, or that dividends will be declared. Dividend rates and the declaration of dividends by the BCE Board are ultimately dependent on BCE's corporate strategy, operations and financial results, which are in turn subject to various assumptions and risks, including those outlined in this MD&A.

Contractual obligations

The following table is a summary of our contractual obligations at December 31, 2025 that are due in each of the next five years and thereafter.

At December 31, 2025	2026	2027	2028	2029	2030	Thereafter	Total
Recognized financial liabilities							
Total debt, excluding lease liabilities	1,064	2,042	2,404	2,028	2,075	23,148	32,761
Lease liabilities (1)	1,091	693	483	396	390	2,196	5,249
Notes payable	2,566	–	–	–	–	–	2,566
Loan secured by receivables	1,594	–	–	–	–	–	1,594
Interest payable on long-term debt, notes payable and loan secured by receivables	1,675	1,533	1,470	1,363	1,272	17,258	24,571
Net payments (receipts) on cross currency interest rate swaps and interest rate swaps	15	(7)	(13)	(27)	74	(491)	(449)
Commitments							
Commitments for property, plant and equipment and intangible assets	1,355	1,391	522	454	429	1,588	5,739
Purchase obligations	893	607	464	398	343	642	3,347
Leases committed not yet commenced	15	22	23	24	24	64	172
Total	**10,268**	**6,281**	**5,353**	**4,636**	**4,607**	**44,405**	**75,550**

(1) Includes imputed interest of $940 million.

We are also exposed to liquidity risk for financial liabilities due within one year as shown in the statements of financial position.

Our commitments for property, plant and equipment and intangible assets include program and feature film rights and investments to expand and update our networks to meet customer demand.

Purchase obligations consist of contractual obligations under service and product contracts for operating expenditures and other purchase obligations.

Our commitments for leases not yet commenced include real estate, OOH advertising spaces and fibre use. These leases are non-cancellable.

Indemnifications and guarantees

As a regular part of our business, we enter into agreements that provide for indemnifications and guarantees to counterparties in transactions involving business dispositions, sales of assets, sales of services, purchases and development of assets, securitization agreements and leases. While some of the agreements specify a maximum potential exposure, many do not specify a maximum amount or termination date.

We cannot reasonably estimate the maximum potential amount we could be required to pay counterparties because of the nature of almost all of these indemnifications and guarantees. As a result, we cannot determine how they could affect our future liquidity, capital resources or credit risk profile. We have not made any significant payments under indemnifications or guarantees in the past.

6.8 Litigation

In the ordinary course of business, we become involved in various claims and legal proceedings seeking monetary damages and other relief. In particular, because of the nature of our consumer-facing business, we are exposed to class actions pursuant to which substantial monetary damages may be claimed. Due to the inherent risks and uncertainties of the litigation process, we cannot predict the final outcome or timing of claims and legal proceedings. Subject to the foregoing, and based on information currently available and management's assessment of the merits of the claims and legal proceedings pending at March 5, 2026, management believes that the ultimate resolution of these claims and legal proceedings is unlikely to have a material and negative effect on our financial statements or operations. We believe that we have strong defences and we intend to vigorously defend our positions.

For a description of important legal proceedings pending at March 5, 2026, please see the section entitled *Legal proceedings* contained in the BCE 2025 AIF.

7 Selected annual and quarterly information

7.1 Annual financial information

The following table shows selected consolidated financial data of BCE for 2025, 2024 and 2023 based on the annual consolidated financial statements, which are prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB). We discuss the factors that caused our results to vary over the past two years throughout this MD&A.

	2025	2024	2023
Consolidated income statements			
Operating revenues			
Service	**21,207**	21,073	21,154
Product	**3,261**	3,336	3,519
Total operating revenues	**24,468**	24,409	24,673
Operating costs	**(13,810)**	(13,820)	(14,256)
Adjusted EBITDA	**10,658**	10,589	10,417
Severance, acquisition and other costs	**(517)**	(454)	(200)
Depreciation	**(3,861)**	(3,758)	(3,745)
Amortization	**(1,377)**	(1,283)	(1,173)
Finance costs			
Interest expense	**(1,775)**	(1,713)	(1,475)
Net return on post-employment benefit obligations	**102**	66	108
Impairment of assets	**(1,027)**	(2,190)	(143)
Net gains on investments	**5,217**	57	80
Other income (expense)	**287**	(362)	(546)
Income taxes	**(1,193)**	(577)	(996)
Net earnings	**6,514**	375	2,327
Net earnings attributable to:			
Common shareholders	**6,305**	163	2,076
Preferred shareholders	**155**	181	187
NCI	**54**	31	64
Net earnings	**6,514**	375	2,327
Net earnings per common share – basic and diluted	**6.79**	0.18	2.28
Ratios			
Adjusted EBITDA margin (%)	**43.6%**	43.4%	42.2%

	2025	2024	2023
Consolidated statements of financial position			
Property, plant and equipment	**33,541**	30,001	30,352
Total assets	**80,165**	73,485	71,940
Debt due within one year (including notes payable and loans secured by receivables)	**6,155**	7,669	5,042
Long-term debt	**34,904**	32,835	31,135
Total non-current liabilities	**43,999**	41,279	39,276
Equity attributable to BCE shareholders	**23,020**	17,071	20,229
Total equity	**23,310**	17,360	20,557
Consolidated statements of cash flows			
Cash flows from operating activities	**6,993**	6,988	7,946
Cash flows used in investing activities	**(3,600)**	(4,438)	(5,781)
Capital expenditures	**(3,700)**	(3,897)	(4,581)
Decrease (increase) in short-term investments	**400**	600	(1,000)
Business acquisitions	**(4,905)**	(624)	(222)
Business dispositions	**102**	–	209
Increase in investments	**(83)**	(34)	(55)
Decrease in investments	**4,684**	12	10
Spectrum licences	**(3)**	(531)	(183)
Cash flows used in financing activities	**(4,646)**	(1,750)	(1,542)
Increase (decrease) in notes payable	**452**	1,945	(646)
Issue of long-term debt	**7,809**	3,834	5,195
Repayment of long-term debt, excluding principal payment of lease liabilities	**(8,965)**	(2,161)	(809)
Principal payment of lease liabilities	**(1,127)**	(1,142)	(1,049)
Repurchase of a financial liability	**–**	–	(149)
Cash dividends paid on common shares	**(2,026)**	(3,613)	(3,486)
Cash dividends paid on preferred shares	**(151)**	(187)	(182)
Cash dividends paid by subsidiaries to NCI	**(51)**	(68)	(47)
Free cash flow	**3,178**	2,888	3,144
Free cash flow after payment of lease liabilities	**2,051**	1,746	2,095
Share information			
Weighted average number of common shares (millions)	**929.1**	912.3	912.2
Common shares outstanding at end of year (millions)	**932.5**	912.3	912.3
Market capitalization (1)	**30,530**	30,398	47,595
Dividends declared per common share (dollars)	**2.31**	3.99	3.87
Dividends declared on common shares	**(2,150)**	(3,646)	(3,530)
Dividends declared on preferred shares	**(155)**	(181)	(187)
Closing market price per common share (dollars)	**32.74**	33.32	52.17
Ratios			
Capital intensity (%)	**15.1%**	16.0%	18.6%
Price to earnings ratio (times) (2)	**4.82**	185.11	22.88
Other data			
Number of employees (thousands)	**39**	40	45

(1) BCE's common share price at the end of the year multiplied by the number of common shares outstanding at the end of the year.
(2) Price to earnings ratio is defined as BCE's common share price at the end of the year divided by EPS.

7.2 Quarterly financial information

The following table shows selected BCE consolidated financial data by quarter for 2025 and 2024. This quarterly information is unaudited but has been prepared on the same basis as the annual consolidated financial statements. We discuss the factors that caused our results to vary over the past eight quarters throughout this MD&A.

	2025				2024			
	Q4	**Q3**	**Q2**	**Q1**	Q4	Q3	Q2	Q1
Operating revenues								
Service	**5,439**	**5,329**	**5,267**	**5,172**	5,287	5,286	5,308	5,192
Product	**965**	**720**	**818**	**758**	1,135	685	697	819
Total operating revenues	**6,404**	**6,049**	**6,085**	**5,930**	6,422	5,971	6,005	6,011
Adjusted EBITDA	**2,664**	**2,762**	**2,674**	**2,558**	2,605	2,722	2,697	2,565
Severance, acquisition and other costs	**(147)**	**(82)**	**(41)**	**(247)**	(154)	(49)	(22)	(229)
Depreciation	**(1,002)**	**(969)**	**(949)**	**(941)**	(933)	(934)	(945)	(946)
Amortization	**(368)**	**(340)**	**(338)**	**(331)**	(317)	(325)	(325)	(316)
Finance costs								
Interest expense	**(453)**	**(457)**	**(442)**	**(423)**	(431)	(440)	(426)	(416)
Net return on post-employment benefit plans	**25**	**26**	**26**	**25**	17	16	17	16
Impairment of assets	**(40)**	**(970)**	**(8)**	**(9)**	(4)	(2,113)	(60)	(13)
Net gains (losses) on investments	**52**	**5,175**	**(8)**	**(2)**	(1)	66	(2)	(6)
Other income (expense)	**102**	**(95)**	**(30)**	**310**	(102)	(129)	(99)	(32)
Income taxes	**(201)**	**(495)**	**(240)**	**(257)**	(175)	(5)	(231)	(166)
Net earnings (loss)	**632**	**4,555**	**644**	**683**	505	(1,191)	604	457
Net earnings (loss) attributable to common shareholders	**594**	**4,502**	**579**	**630**	461	(1,237)	537	402
Net earnings (loss) per common share – Basic and diluted	**0.64**	**4.84**	**0.63**	**0.68**	0.51	(1.36)	0.59	0.44
Weighted average number of common shares outstanding – basic (millions)	**932.5**	**932.5**	**930.9**	**920.3**	912.3	912.3	912.3	912.3
Other information								
Cash flows from operating activities	**1,561**	**1,914**	**1,947**	**1,571**	1,877	1,842	2,137	1,132
Free cash flow	**225**	**1,003**	**1,152**	**798**	874	832	1,097	85
Capital expenditures	**(1,317)**	**(891)**	**(763)**	**(729)**	(963)	(954)	(978)	(1,002)

Fourth quarter highlights

Operating revenues	**Q4 2025**	Q4 2024	$ change	% change
Bell CTS	**5,693**	5,681	12	0.2%
Bell CTS Canada	***5,461***	*5,681*	*(220)*	*(3.9%)*
Bell CTS U.S.	***232***	–	*232*	*n.m.*
Bell Media	**804**	832	(28)	(3.4%)
Inter-segment eliminations	**(93)**	(91)	(2)	(2.2%)
Total BCE operating revenues	**6,404**	6,422	(18)	(0.3%)

Adjusted EBITDA	**Q4 2025**	Q4 2024	$ change	% change
Bell CTS	**2,513**	2,436	77	3.2%
Bell CTS Canada	***2,413***	*2,436*	*(23)*	*(0.9%)*
Bell CTS U.S.	***100***	–	*100*	*n.m.*
Bell Media	**151**	169	(18)	(10.7%)
Total BCE adjusted EBITDA	**2,664**	2,605	59	2.3%

n.m.: not meaningful

Total operating revenues at BCE decreased by 0.3% in Q4 2025, compared to the same period last year, driven by lower Bell Media operating revenues of 3.4%, partly offset by greater Bell CTS operating revenues of 0.2%, due to the contribution from Bell CTS U.S. of $232 million as a result of the acquisition of Ziply Fiber on August 1, 2025, partly offset by lower year-over-year revenues from Bell CTS Canada of 3.9%. The year-over-year decline reflected lower product revenues of 15.0%, partly offset by greater service revenues of 2.9%.

BCE net earnings increased by 25.1% in Q4 2025, compared to Q4 2024, mainly due to higher other income from net mark-to-market gains on derivatives used to economically hedge equity settle share-based compensation plans, higher adjusted EBITDA and higher net gains on investments, partly offset by higher depreciation and amortization expense and higher impairment of assets.

BCE adjusted EBITDA increased by 2.3% in Q4 2025, compared to the same period last year, driven by an increase in Bell CTS of 3.2% due to the contribution from our Bell CTS U.S. segment of $100 million resulting from the acquisition of Ziply Fiber on August 1, 2025, partly offset by a decline in our Bell CTS Canada segment of 0.9%. Our Bell Media segment adjusted EBITDA declined by 10.7% year over year, reducing BCE's adjusted EBITDA growth. The year-over-year increase in BCE adjusted EBITDA resulted from lower operating costs of 2.0%, moderated by lower operating revenues. This drove an adjusted EBITDA margin of 41.6% in Q4 2025, up 1.0 pts over the same period last year, due to the benefit from cost reduction initiatives and operating efficiencies, and reflected higher product margins, due to our disciplined approach to subscriber loadings over the holiday period.

Bell CTS operating revenues increased by 0.2% in Q4 2025, compared to the same period in 2024, due to higher service revenues of 4.0%, partly offset by product revenues decline of 15.0%. This reflected the contribution from Bell CTS U.S. of $232 million due to the acquisition of Ziply Fiber on August 1, 2025, partly offset by a year-over-year decline in Bell CTS Canada of 3.9%. The decline in Bell CTS Canada was driven by lower product revenues of 15.0% and reduced service revenues of 1.1%.

Bell CTS Canada operating revenues decreased by 3.9% in Q4 2025, compared to Q4 2024, mainly from lower product revenues of 15.0%, primarily due to decreased wireless product revenues from fewer contracted wireless device sales given greater sales mix of BYOD customer activations, moderated by less discounting, along with lower wireline product revenues from reduced land mobile radio systems sales to the government sector due to timing. Q4 2025 service revenues decreased by 1.1% year over year, driven by ongoing declines in legacy voice, data and TV services, partly offset by higher Internet revenues in our consumer, wholesale and large business markets, reflecting growth in FTTP subscribers, along with the flow-through of residential rate increases, moderated by greater residential acquisition, retention and bundle discounts. Higher revenues from our AI-powered solutions business, including the impact of small acquisitions made in 2025, also moderated the decline in service revenues. Modest decline in wireless service revenues reflecting ongoing but abating competitive pressures on base rate plan pricing and higher discounting, as well as lower overage and outbound roaming revenues.

Bell CTS U.S. operating revenues were $232 million in Q4 2025, compared with nil in the same period last year, due to the acquisition of Ziply Fiber on August 1, 2025. The operating revenues were comprised of service revenues, mainly data revenues of $193 million and voice revenues of $41 million.

Bell CTS adjusted EBITDA increased by 3.2% in Q4 2025, compared to Q4 2024, due to the contribution from our Bell CTS U.S. segment of $100 million, resulting from the acquisition of Ziply Fiber on August 1, 2025, partly offset by a decline in our Bell CTS Canada segment of 0.9%. The year-over-year growth in adjusted EBITDA reflected lower operating costs of 2.0%, coupled with higher operating revenues. This resulted in Bell CTS adjusted EBITDA margin of 44.1% in Q4 2025, up 1.2 pts over Q4 2024.

Bell CTS Canada adjusted EBITDA declined by 0.9% in Q4 2025, compared to the same period in 2024, due to decreased operating revenues, mitigated in part by lower operating costs. The decline in operating costs of 6.1% year over year, reflected lower cost of goods sold related to the lower product revenues, along with cost reduction initiatives, mainly attributable to workforce reductions and various other cost containment initiatives across the organization, including technology and automation-enabled operating efficiencies. This drove an adjusted EBITDA margin of 44.2% in Q4 2025, up 1.3 pts, compared to Q4 2024, due to the benefit from cost reduction initiatives and operating efficiencies, as well reflected higher product margins, due to our disciplined approach to subscriber loadings over the holiday period.

Bell CTS U.S. adjusted EBITDA was $100 million in Q4 2025, compared to nil in Q4 2024, due to the acquisition of Ziply Fiber on August 1, 2025. This corresponded to an adjusted EBITDA margin of 43.1% for the quarter.

Bell Media operating revenues decreased by 3.4% in Q4 2025, compared to the same period last year, driven by lower advertising revenues, partly offset by higher other and subscriber revenues. Operating revenues reflected growth from digital revenues of 3.4% year over year. Advertising revenues declined by 11.1% year over year in the quarter, due to continued lower demand for traditional advertising across all platforms and reduced audio advertising revenues attributable to the previously announced divestitures of 45 radio stations, partly offset by higher digital video advertising revenues from growth in ad-supported subscription tiers on Crave and Connected TV. Other revenues increased year over year, due to greater program sales, mainly from the acquisition of Sphere Abacus in May 2025. Subscriber revenues increased by 1.5% in Q4 2025, compared to the same period last year, due to the growth in Crave and sports streaming revenues, primarily from higher DTC streaming subscribers, partly offset by continued erosion in BDU subscribers.

Bell Media adjusted EBITDA declined by 10.7% in Q4 2025, compared to the same period last year, driven by lower operating revenues, partly offset by reduced operating costs. The decrease in operating costs of 1.5% reflected content cost savings, along with the benefit from cost reduction initiatives relating to workforce reductions and other operating efficiencies, as well as lower expenses associated with the radio station divestitures, partly offset by contractual sports broadcasting rights and programming cost increases, coupled with the operating expenses of Sphere Abacus as a result of the acquisition in 2025.

BCE capital expenditures of $1,317 million in Q4 2025, increased by $354 million year over year, corresponding to a capital intensity ratio of 20.6%, up 5.6 pts over the same period last year, due to capital investments of $260 million in Bell CTS U.S. as a result of the acquisition of Ziply Fiber on August 1, 2025, with investments focused on the continued expansion of Ziply Fiber's FTTP network in the U.S. Additionally, Bell CTS Canada capital spending increased by $83 million year over year, mainly due to timing of spend and higher Bell Media capital expenditures of $11 million due to the growth in digital video, including Crave expansion and 2026 FIFA World Cup readiness.

BCE severance, acquisition and other costs of $147 million in Q4 2025 decreased by $7 million, compared to Q4 2024, mainly due to lower severance costs related to involuntary and voluntary employee terminations.

BCE depreciation of $1,002 million in Q4 2025 increased by $69 million, year over year, mainly due to a higher asset base as a result of the acquisition of Ziply Fiber on August 1, 2025.

BCE amortization of $368 million in Q4 2025 increased by $51 million, year over year, mainly due to a higher asset base and as a result of the acquisition of Ziply Fiber on August 1, 2025.

BCE interest expense of $453 million in Q4 2025 increased by $22 million, compared to Q4 2024, mainly due to higher average debt balances and higher average cost of debt.

BCE impairment of assets of $40 million in Q4 2025 increased by $36 million, compared to Q4 2024, mainly due to impairment charges on various assets within our Bell CTS Canada segment.

BCE net gains on investments of $52 million in Q4 2025 increased by $53 million, year over year, mainly due to the sale of substantially all of our home security and monitored alarm assets on October 1, 2025.

BCE other income of $102 million in Q4 2025 increased by $204 million, year over year, mainly due to net mark-to-market gains on derivatives used to economically hedge equity settle share-based compensation plans in 2025 compared to losses in 2024.

BCE income taxes of $201 million in Q4 2025 increased by $26 million, compared to Q4 2024, mainly due to higher taxable income.

BCE net earnings attributable to common shareholders of $594 million in Q4 2025, or $0.64 per share, were higher than the $461 million, or $0.51 per share, reported in Q4 2024. The year-over-year increase was mainly due to higher other income from net mark-to-market gains on derivatives used to economically hedge equity settle share-based compensation plans, higher adjusted EBITDA and higher net gains on investments, partly offset by higher depreciation and amortization expense and higher impairment of assets. Adjusted net earnings decreased to $643 million in Q4 2025, compared to $719 million in Q4 2024, and adjusted EPS decreased to $0.69 from $0.79 in Q4 2024.

BCE cash flows from operating activities was $1,561 million in Q4 2025 compared to $1,877 million in Q4 2024. The decrease was mainly attributed to higher income taxes paid, settlements on derivatives used to economically hedge equity settled share-based compensation plans and timing of supplier payments, partly offset by lower interest paid.

BCE free cash flow generated in Q4 2025 was $225 million, compared to $874 million in Q4 2024. The decrease was mainly attributable to higher capital expenditures and lower cash flows from operating activities, excluding cash from acquisition and other costs paid.

Seasonality considerations

Some of our revenues and expenses vary slightly by season, which may impact quarter-to-quarter financial results.

Wireless service and product revenues are influenced by the timing of new mobile device launches and seasonal promotional periods, such as back-to-school, Black Friday and the Christmas holiday period, as well as the level of overall competitive intensity. Because of these seasonal effects, subscriber additions and retention costs due to device upgrades related to contract renewals are typically higher in the third and fourth quarters. For ARPU, historically we have experienced seasonal sequential increases in the second and third quarters, due to higher levels of usage and roaming in the spring and summer months, followed by historical seasonal sequential declines in the fourth and first quarters. However, this seasonal effect on ARPU has moderated, as unlimited and larger capacity data options and North America wide plans have become more prevalent, resulting in less variability in chargeable data usage.

Wireline service and product revenues tend to be higher in the fourth quarter because of historically higher data and equipment product sales to business customers. However, this may vary from year to year depending on the strength of the economy and the presence of targeted sales initiatives, which can influence customer spending. Home Phone, TV and Internet subscriber activity is subject to modest seasonal fluctuations, attributable largely to residential moves during the summer months and the back-to-school period in the third quarter. Targeted marketing efforts conducted during various times of the year to coincide with special events or broad-based marketing campaigns also may have an impact on overall wireline service and product revenues.

Bell Media revenue and related expenses from TV and radio broadcasting are largely derived from the sale of advertising, the demand for which is affected by prevailing economic conditions as well as cyclical and seasonal variations. Seasonal variations in video are driven by the strength of TV ratings, particularly during the fall programming season, major sports league seasons and other special sporting events such as the Olympic Games, NHL and NBA playoffs and FIFA World Cup soccer, as well as fluctuations in consumer retail activity during the year.

8 Regulatory environment

8.1 Canadian regulatory environment

Introduction

This section describes certain legislation that governs our Canadian business and provides highlights of recent regulatory initiatives and proceedings, government consultations and government positions that affect us, influence our business and may continue to affect our ability to compete in the marketplace. Bell Canada and several of its direct and indirect subsidiaries, including Bell Mobility, Bell ExpressVu Limited Partnership (ExpressVu), Bell Media, NorthernTel, Limited Partnership (NorthernTel), Télébec, Limited Partnership (Télébec), Group Maskatel Québec LP (Maskatel) and Northwestel, are governed by the *Telecommunications Act*, the *Broadcasting Act*, the *Radiocommunication Act* and/or the *Bell Canada Act*. Our business is affected by regulations, policies and decisions made by various regulatory agencies, including the CRTC, a quasi-judicial agency of the Government of Canada responsible for regulating Canada's telecommunications and broadcasting industries, and other federal government departments, in particular ISED and the Competition Bureau.

In particular, the CRTC regulates the prices we can charge for retail telecommunications services when it determines there is not enough competition to protect the interests of consumers. The CRTC has determined that competition is sufficient to grant forbearance from retail price regulation under the *Telecommunications Act* for the vast majority of our retail wireline and wireless telecommunications services. The CRTC can also mandate the provision of access by competitors to our wireline and wireless networks and the rates we can charge them. Notably, it currently mandates wholesale high-speed access for wireline broadband as well as domestic wireless roaming services and a wholesale facilities-based MVNO access service. Lower mandated wholesale rates or the imposition of unfavourable terms for mandated services would undermine our incentives to invest in network improvements and extensions, limit our flexibility, influence the market structure, improve the business position of our competitors, limit network-based differentiation of our services and negatively impact the financial performance of our businesses. Our TV distribution and our TV and radio broadcasting businesses are subject to the *Broadcasting Act* and are, for the most part, not subject to retail price regulation.

Although most of our retail services are not price-regulated, government agencies and departments such as the CRTC, ISED, Canadian Heritage and the Competition Bureau continue to play a significant role in regulatory matters such as establishing and modifying regulations for mandatory access to networks, spectrum auctions, the imposition of consumer-related codes of conduct, approval of acquisitions, broadcast and spectrum licensing, foreign ownership requirements, privacy and cybersecurity obligations, and control of copyright piracy. Adverse decisions by governments or regulatory agencies, increasing regulation or a lack of effective anti-piracy remedies could have negative financial, operational, reputational or competitive consequences for our business.

Telecommunications Act

The *Telecommunications Act* governs telecommunications in Canada. It defines the broad objectives of Canada's telecommunications policy and provides the Government of Canada with the power to give general direction to the CRTC on any of its policy objectives. It applies to several of the BCE group of companies and partnerships, including Bell Canada, Bell Mobility, NorthernTel, Télébec, Maskatel and Northwestel.

Under the *Telecommunications Act*, all facilities-based telecommunications service providers in Canada, known as telecommunications common carriers (TCCs), must seek regulatory approval for all telecommunications services, unless the services are exempt or forborne from regulation. Most retail services offered by the BCE group of companies are forborne from retail regulation. The CRTC may exempt an entire class of carriers from regulation under the *Telecommunications Act* if the exemption meets the objectives of Canada's telecommunications policy. In addition, a few large TCCs, including those in the BCE group, must also meet certain Canadian ownership requirements. BCE monitors and periodically reports on the level of non-Canadian ownership of its common shares.

Review of mobile wireless services

In Q3 2023, we began providing MVNO access service on Bell Mobility's network in certain regions. On July 13, 2023, the CRTC accepted a request from Québecor Media Inc. to initiate Final Offer Arbitration (FOA) in respect of rates for MVNO access service from Bell Mobility. On October 10, 2023, the CRTC selected the rate proposed by Bell Mobility. On August 29, 2024, the CRTC denied a Part 1 application from Québecor Media Inc. regarding the start date for the MVNO access service from Bell Mobility and set September 12, 2024 as the start date for Bell Mobility's MVNO access service, directing the parties to enter into an MVNO access agreement by such date. Québecor Media Inc. is now receiving MVNO access from Bell Mobility under this agreement.

On November 27, 2024, Québecor Media Inc. asked the CRTC to review and vary its previous decision and to order Bell Mobility to reimburse them for the difference between the roaming fees Québecor Media Inc. paid from October 10, 2023 to September 12, 2024, and the amount Québecor Media Inc. would have paid if the MVNO access rate had been used during this time. On January 20, 2025, Bell Mobility submitted its response opposing Québecor Media Inc.'s request because it did not meet the CRTC's established criteria for review. The CRTC has not yet issued its decision on Québecor Media Inc.'s application.

The CRTC previously accepted a request for FOA from Rogers Communications Canada Inc. and Québecor Media Inc. in respect of rates for MVNO access service from Rogers Communications Canada Inc. On July 24, 2023, the CRTC selected the rate proposed by Québecor Media Inc., making several findings downplaying the importance of incentives for investment in Canadian telecommunications networks. Rogers Communications Canada Inc. subsequently appealed the CRTC's decision with the Federal Court of Appeal. On May 28, 2025, the Federal Court of Appeal upheld the CRTC's decision, finding no errors in their selection of Québecor Media Inc.'s proposed rate. While the CRTC's subsequent determination in Bell Mobility's FOA with Québecor Media Inc. appears to have moderated this approach by highlighting the importance of providing a return on investment to facilities-based carriers, adverse regulatory decisions such as the Rogers Communications Canada Inc. and Québecor Media Inc. FOA decision are expected to impact how, where and when we invest in our future wireless and wireline networks.

CRTC examination of retail rates for international roaming

On October 7, 2024, the CRTC issued a letter to each of Bell Mobility, Rogers Communications Canada Inc. and Telus Communications Inc. (collectively, the Companies) indicating that following a review it had conducted of fees that Canadians pay when they travel internationally, it had certain concerns with respect to the choice available to Canadians when roaming and roaming rates. The CRTC indicated that it expected the Companies to report back to the CRTC by November 4, 2024 on the steps they are taking to respond to these concerns and that if it determines that sufficient action is not taken, it will launch a formal proceeding. Each of the Companies filed their responses on November 4, 2024 setting out their plans to the CRTC. On March 7, 2025, the CRTC responded that it was "encouraged" by some of the steps taken to date, while also setting its expectation for more progress on reducing roaming fees, including for pay-per-use offerings. It directed the Companies to provide further updates on May 5, 2025 and again on November 5, 2025, which the Companies delivered. On February 5, 2026, the CRTC requested supplemental information on the Companies' roaming offerings, with a response due March 19, 2026. While the timing and outcome of any further CRTC process regarding our international roaming rates is currently unknown and it is unclear what impact, if any, such a process could have, any action by the CRTC to regulate the rates or attributes of the international roaming offerings of wireless carriers is likely to have a negative impact on our business and financial results.

Review of the wholesale high-speed access service framework

On November 6, 2023, in Telecom Decision CRTC 2023-358 (the Interim Decision), the CRTC determined that aggregated access to Bell Canada's FTTP facilities in Ontario and Québec should be mandated on a temporary and expedited basis, and the CRTC set interim access rates.

On August 13, 2024, in Telecom Regulatory Policy CRTC 2024-180 (the Final Decision), the CRTC mandated that the interim obligation to provide wholesale aggregated access to Bell Canada's FTTP facilities in Ontario and Québec, and to Telus Communications Inc.'s FTTP facilities in Québec, would be made final. Further, the Final Decision expanded the geographic scope of the Interim Decision such that Bell Canada was required to provide wholesale aggregated access to its FTTP facilities in Atlantic Canada and Manitoba by February 13, 2025. Telus Communications Inc. and Saskatchewan Telecommunications were also required to provide aggregated access to their respective FTTP facilities in Alberta, B.C., and Saskatchewan by the same date. This obligation does not apply to any new FTTP networks that Bell Canada, Telus Communications Inc., or Saskatchewan Telecommunications make available at retail during the five-year period between August 13, 2024 and August 12, 2029. However, this five-year period is not a continuously rolling period. Instead, all new FTTP locations, regardless of when they are made available at retail, will be subject to a wholesale aggregated access obligation as of August 12, 2029. Under the Final Decision, cable companies are exempt from wholesale FTTP obligations and, as such, are not required to provide wholesale access to their FTTP networks. Also, under the Final Decision, Bell Canada, Saskatchewan Telecommunications, Telus Communications Inc., Cogeco, Eastlink, Rogers Communications Canada Inc., Québecor Media Inc., and their respective affiliates are not eligible to buy mandated aggregated wholesale high-speed access, whether over copper, coaxial cable, or FTTP, within their traditional incumbent wireline footprints. As a result, Distributel and other Bell Canada brands were required to, and did, cease reselling wholesale high-speed access over coaxial cable to new customers after September 12, 2024.

In a motion dated September 12, 2024, Saskatchewan Telecommunications also sought leave to appeal the Final Decision to the Federal Court of Appeal.

Several parties, including CNOC, Cogeco, Eastlink, Rogers Communications Canada Inc. and TekSavvy Solutions Inc. filed Part 1 applications asking the CRTC to review and vary several aspects of the Final Decision. On June 20, 2025, the CRTC issued Telecom Decision CRTC 2025-154 (the R&V Decision) denying all of the review and vary applications. In a motion dated July 18, 2025, Cogeco and Eastlink sought leave to appeal the R&V Decision to the Federal Court of Appeal, which was granted on September 10, 2025.

CNOC, Cogeco, Eastlink, and Saskatchewan Telecommunications filed a joint appeal of the Final Decision to the Governor-in-Council. On August 6, 2025, the Governor-in-Council announced that it had declined to alter the Final Decision. In September 2025, Cogeco, Eastlink and Saskatchewan Telecommunications, Rogers Communications Canada Inc., and CNOC filed appeals of the R&V Decision to the Governor-in-Council.

On October 25, 2024, in Telecom Order CRTC 2024-261, the CRTC updated interim rates for Ontario and Quebec and set interim rates for the other provinces. If final rates are established that are different from the interim rates, there is a risk they will be applied retroactively.

The imposition of an aggregated access to FTTP facilities obligation, and, in particular, making Telus Communications Inc. and Rogers Communications Canada Inc. eligible to resell services on Bell Canada's FTTP network, have undermined Bell Canada's incentives to invest in next-generation wireline networks. As a direct result, Bell Canada has reduced its capital expenditures by $500 million in 2025 alone and by over $1.2 billion since the Interim Decision in November 2023. The financial impact of these regulatory obligations will be determined in part by whether the CRTC establishes final rates that fully compensate Bell Canada for the significant costs and risks Bell Canada assumes in expanding and upgrading its networks.

Implementing a retail Internet service subsidy in the Far North

On January 16, 2025, the CRTC issued a decision in its proceeding to review the regulatory framework for Northwestel and the state of telecommunications services in Canada's North. In this decision, the CRTC announced that it would introduce a new retail Internet subsidy to improve affordability in the Far North, to be funded by the National Contribution Fund. On January 16, 2025, the CRTC initiated a new proceeding (TNC 2025-10) to consider the implementation details of that subsidy, including the amount. At this time, it is unclear what impact the CRTC's decision in the subsidy proceeding could have on our business and financial results, including any potential incremental increase that BCE may have to pay to the National Contribution Fund as a result.

CRTC review of access to poles

On February 15, 2023, the CRTC issued a decision which included a number of determinations to facilitate access by third parties to poles owned by Canadian carriers or poles to which Canadian carriers control access. Among other directions, the CRTC's decision: establishes new timelines for each step in the pole access permitting process; reduces the obligations of access seekers to pay costs for any pole repairs, upgrades or replacements required to accommodate the addition of the access seeker's equipment; provides access seekers with greater flexibility to carry out pole repairs and upgrades themselves; maintains the circumstances under which pole owners may obtain priority access to poles or reserve capacity for their future use on poles; and imposes new notification and reporting obligations on pole owners. On April 3, 2023, large ILECs, including Bell Canada through Tariff Notices 977 and 978, updated their applicable tariffs to incorporate the new determinations and these tariffs were approved by the CRTC on January 28, 2025 through Telecom Order CRTC 2025-21.

On October 16, 2023, Bell Canada filed Tariff Notice 981 to revise the tariff pages for its National Services Tariff CRTC 7400 Item 901 – Support Structure Service to reflect an updated monthly pole rental rate per unit applicable in its Ontario and Québec serving area, and on March 11, 2025, in Telecom Order CRTC 2025-77, the CRTC made the existing pole rates interim. The CRTC issued its final decision on rates on October 17, 2025, establishing a final rate of $1.32 per billing unit per month for attachment to our poles, an increase from the previous $1.04 which will increase our revenues. Bell disagreed with certain adjustments made to its cost study and, on January 15, 2026, filed an application seeking a review and variance of this decision to correct these adjustments. Should the CRTC agree with these corrections, the rate and associated revenues would further increase.

Bill C-8, *An Act Respecting Cyber Security*

On June 18, 2025, the federal government introduced Bill C-8, *An Act respecting cyber security, amending the Telecommunications Act and making consequential amendments to other Acts* (Bill C-8). Excepting a few minor changes, Bill C-8 mirrors the language of Bill C-26, *An Act Respecting Cyber Security*, which died on the Order Paper with the call of the 2025 Federal election. Bill C-8 would enact the *Critical Cyber Systems Protection Act*, which would establish a regulatory framework requiring designated operators in the finance, telecommunications, energy and transportation sectors to protect their critical cyber systems. Bill C-8 also includes proposed changes to the *Telecommunications Act* that would establish new authorities that would enable the federal government to take action to promote the security of the Canadian telecommunications system, which could include measures with respect to high-risk suppliers, such as Huawei and ZTE. If enacted, Bill C-8 would give the federal cabinet and the ISED Minister additional order-making powers and establish greater supply chain scrutiny, incidence reporting and response, annual reviews and an enforcement regime under which the Minister responsible for ISED could impose administrative monetary penalties, among other actions. It is unclear at this time what impact the legislative changes could have on our business and financial results. Bill C-8 has passed the second reading stage in the House of Commons and has been referred to the Standing Committee on Public Safety and National Security for study.

CRTC proceedings resulting from recent amendments to the *Telecommunications Act*

On November 22, 2024, the CRTC launched three public consultations to consider enhanced measures under the Wireless and Internet Codes to give Canadians more flexibility to choose their mobile and Internet plans: Telecom Notice of Consultation CRTC 2024-293, *Call for Comments – Making it easier to choose a wireless phone or Internet service – Enhancing customer notification*; Telecom Notice of Consultation CRTC 2024-294, *Call for comments – Making it easier to choose a wireless phone or Internet service – Removing barriers to switching plans*; and Telecom Notice of Consultation CRTC 2024-295, *Call for comments – Making it easier to choose a wireless phone or Internet service – Enhancing self-service mechanisms*.

The consultations follow the passing of Bill C-69, *An Act to implement certain provisions of the budget tabled in Parliament on April 16, 2024* (Bill C-69), which received royal assent on June 20, 2024. Bill C-69 includes amendments to the *Telecommunications Act* directing the CRTC to implement certain specific measures related to the arrangements between telecommunications providers and their customers, including prohibiting charging certain extra fees to switch carriers or modify service arrangements. The amendments require the CRTC to specify the type of fees to which the amendments will apply and the rules around how the amendments will be implemented.

On December 4, 2024, the CRTC issued another notice of consultation (TNC 2024-318, *Making it easier for consumers to shop for Internet services*) as a result of recent amendments to the *Telecommunications Act* through Bill C-288. It required the CRTC to hold public hearings, which took place from June 10, 2025 to June 13, 2025, to discuss how Internet service providers (ISPs) should make certain information on fixed broadband services available to the public.

The timing of any CRTC decision with respect to these proceedings is currently unknown and it is unclear what impact, if any, these proceedings could have on our business and financial results. Any action by the CRTC to regulate the fees charged by carriers, how customers switch between carriers or how ISPs must share information with customers is likely to have a negative impact on our business and financial results as a result of increased operational costs or other negative outcomes.

CRTC proceedings on outage reporting, consumer protections associated with outages and network resiliency

On September 4, 2025, the CRTC issued a decision and two consultations that could materially impact Bell Canada's operational and compliance costs. Telecom Decision CRTC 2025-225 introduces mandatory outage reporting for telecommunications service providers, including new reporting thresholds tied to user-minutes which would significantly increase the amount of reporting by providers which had previously been set for outages that impact 100,000 users or more. The CRTC agreed to a request from a large group of providers to suspend the application of the new reporting thresholds pending its consideration of an application from that group seeking changes to the notification regime. While implementation is suspended pending review, Bell Canada anticipates incremental compliance costs for enhanced monitoring and reporting systems, as well as potential adverse publicity with respect to outages.

The CRTC also opened a consultation (Telecom Notice of Consultation CRTC 2025-226) on network resiliency standards. The consultation seeks input on measures intended to harden infrastructure, improve outage response, and enhance reliability across Canada's telecommunications networks. Prescriptive requirements could drive additional capital expenditures to comply with regulatory mandates, particularly in rural and remote markets where construction is particularly cost-intensive.

The CRTC also seeks input on consumer protections during outages (Telecom and Broadcasting Notice of Consultation CRTC 2025-227), including potential compensation and/or notification frameworks. Depending on the outcome, Bell Canada may face new obligations for customer credits and communication protocols, which could increase operating expenses and require system changes, further increasing compliance costs and regulatory burden.

Canada's telecommunications foreign ownership rules

Under the *Telecommunications Act*, there are no foreign investment restrictions applicable to TCCs that have less than a 10% share of the total Canadian telecommunications market as measured by annual revenues. However, foreign investment in telecommunications companies can still be refused by the government under the *Investment Canada Act*. The absence of foreign ownership restrictions on such small or new entrant TCCs could result in more foreign companies entering the Canadian market, including by acquiring spectrum licences or Canadian TCCs.

Broadcasting Act

The *Broadcasting Act* outlines the broad objectives of Canada's broadcasting policy and assigns the regulation and supervision of the broadcasting system to the CRTC. Key policy objectives of the *Broadcasting Act* are to protect and strengthen the cultural, political, social and economic fabric of Canada and to encourage the development of Canadian expression.

Most broadcasting activities require a programming or distribution licence from the CRTC. The CRTC may exempt broadcasting undertakings from complying with certain licensing and regulatory requirements if it is satisfied that non-compliance will not materially affect the implementation of Canadian broadcasting policy. A corporation must also meet certain Canadian ownership and control requirements to obtain a programming or distribution licence, and corporations must have the CRTC's approval before they can transfer effective control of a broadcasting licensee.

Our TV distribution operations and our TV and radio broadcasting operations are subject to the requirements of the *Broadcasting Act*, the policies and decisions of the CRTC and their respective broadcasting licences. Any changes in the *Broadcasting Act*, amendments to regulations or the adoption of new ones, or amendments to licences, could negatively affect our competitive position or the cost of providing services.

Broadcasting Notice of Consultation CRTC 2023-138

On May 12, 2023, the CRTC issued Broadcasting Notice of Consultation CRTC 2023-138, *The Path Forward – Working towards a modernized regulatory framework regarding the contributions to support Canadian and Indigenous content*. This Notice represents the first step to developing an updated regulatory framework for broadcasting undertakings, including online undertakings which were brought into the *Broadcasting Act* through Bill C-11, the *Online Streaming Act*. A key part of this new framework is to establish the conditions under which online services would be required to make financial contributions, including initial base contributions, to support the creation and discoverability of Canadian and Indigenous content. It will also determine who the recipients of the initial base contributions will be. On June 4, 2024, the CRTC released its decision, requiring foreign streamers to contribute 5% of their Canadian broadcasting revenue to various funds set out by the CRTC as of September 2024. However, Canadian streamers affiliated with a licensed broadcaster (for example, Bell Media's linear Crave service available through cable companies) have been exempted from this requirement until the CRTC reviews the existing regulatory obligations of traditional media properties. Foreign streamers, specifically Amazon. com.ca ULC, Apple Canada Inc., the Motion Picture Association-Canada (which represents Netflix Studios, LLC, Paramount Pictures Corporation, Sony Pictures Entertainment Inc., Universal City Studios LLC, Walt Disney Studios Motion Pictures, and Warner Bros. Entertainment Inc.) and Spotify AB, have each sought leave to appeal and/or judicial review of the CRTC's decision. Each company has challenged various different aspects of the decision, including, in some cases, the reasonableness of the CRTC exempting Canadian streamers affiliated with licensed broadcasters but not exempting foreign streamers. The CRTC has launched additional consultations, including on how to support the creation of Canadian and Indigenous content (both audio-visual and audio), as well as diversity, inclusion and discoverability issues (see Broadcasting Notice of Consultation CRTC 2024-288 and Broadcasting Notice of Consultation CRTC 2025-52 below). In addition, the CRTC has initiated a consultation on ensuring a sustainable broadcasting system (see Broadcasting Notice of Consultation CRTC 2025-2 below). As a last step, the CRTC intends to finalize each undertaking's or ownership group's contribution requirements, presumably as part of our group licence renewal. The timing and outcome of all of these proceedings is unknown. Therefore, the impact that these regulatory changes could have on our business and financial results is unclear at this time.

Broadcasting Notice of Consultation CRTC 2024-288

On November 15, 2024, the CRTC issued Broadcasting Notice of Consultation CRTC 2024-288, *The Path Forward – Defining "Canadian Program" and supporting the creation and distribution of Canadian programming in the audio-visual sector*. This consultation will modernize the definition of Canadian content and will also explore the types of expenditures that traditional broadcasting undertakings and online undertakings should make towards this content. On November 18, 2025, the CRTC announced a revised definition of Canadian content, raising the required number of creative positions to be held by Canadians and implementing a graduated threshold for Canadian copyright ownership. In-house productions by Canadian broadcasters continue to qualify as Canadian content and remain exempt from the CRTC's formal certification process. In addition, the CRTC determined that foreign streaming services must publicly release their Canadian broadcasting revenues and spending on Canadian content, which Canadian broadcasters currently do. A number of parties have sought leave to appeal the CRTC's decision. The Canadian Media Producers Association has challenged the CRTC's finding that Canadians only need to hold 20% copyright ownership in a production for it to qualify as Canadian content. In addition, the Motion Picture Association-Canada (which represents Netflix Studios, LLC, Paramount Pictures Corporation, Sony Pictures Entertainment Inc., Universal City Studios LLC, Walt Disney Studios Motion Pictures, and Warner Bros. Entertainment Inc.) and Apple Canada have challenged the requirement to release their financial information without confidentiality protections. Finally, a second CRTC decision is expected relating to the expenditures that Canadian broadcasting undertakings and online undertakings should make towards Canadian content. The outcome and timing of these proceedings is unknown. Therefore, the impact that these regulatory changes could have on our business and financial results is unclear at this time.

Broadcasting Notice of Consultation CRTC 2025-2

On January 9, 2025, the CRTC issued Broadcasting Notice of Consultation CRTC 2025-2, *The Path Forward – Working towards a sustainable Canadian broadcasting system*. This consultation will examine the market dynamics between programming undertakings, broadcasting distribution undertakings and online undertakings with a view to ensuring that the industry is able to meet the policy objectives set out in the *Broadcasting Act*. This proceeding will also look at all the regulatory tools that both programming undertakings (like Bell Media) and broadcasting distribution undertakings (like Bell TV) use in negotiations with other licensees for the carriage and distribution of programming services. The CRTC held a three-week hearing that began on June 18, 2025 to focus on these issues. The outcome and timing of this decision is unknown. Therefore, the impact that any regulatory changes could have on our business and financial results is unclear at this time.

Broadcasting Notice of Consultation CRTC 2025-52

On February 20, 2025, the CRTC issued Broadcasting Notice of Consultation CRTC 2025-52, *The Path Forward – Supporting Canadian and Indigenous audio content*. This consultation seeks to update the definition of what constitutes a Canadian musical selection, i.e., the Music, Artist, Performance, Lyrics system, and to provide a definition of French-language vocal music. In addition, the CRTC intends to explore how radio stations and audio streaming services can support the airplay of emerging artists as well as Indigenous artists, both potentially through exhibition and expenditure requirements. The CRTC held a hearing that began on September 18, 2025 to focus on these issues. The outcome and timing of this decision is unknown. Therefore, the impact that these regulatory changes could have on our business and financial results is unclear at this time.

Broadcasting and Telecom Notice of Consultation CRTC 2025-274

On October 17, 2025, the CRTC issued Broadcasting and Telecom Notice of Consultation CRTC 2025-274, *Improving customer awareness of the CCTS*. This consultation seeks comments on measures to improve customer awareness of the CCTS. The CRTC's preliminary view is to amend the Internet Code, Wireless Code and Television Service Provider Code (the Consumer Protection Codes) to standardize how and when customers are advised about their right to take unresolved complaints to the CCTS. The Notice of Consultation set out a deadline for initial submissions of November 17, 2025. A large group of service providers, including Bell Canada, Rogers Communications Canada Inc., Telus Communications Inc., Cogeco, Québecor Media Inc., Bragg Communications Inc. carrying on business as Eastlink, Saskatchewan Telecommunications, and Xplore Inc., have jointly written to the CRTC expressing concern regarding the Notice of Consultation – including that the measures supported in the CRTC's preliminary view cannot practically be implemented – and asked the CRTC to suspend the current timelines and establish a different process for considering the relevant issues. On November 12, 2025, the CRTC temporarily suspended all deadlines in the proceeding until further notice, commenting that it would issue a new notice of consultation addressing the procedural requests.

The timing of any CRTC decision with respect to this proceeding is currently unknown and it is unclear what impact, if any, this proceeding could have on our business and financial results. Any action by the CRTC to require telecom service providers to implement new workflows within their complaint-resolution processes is likely to have a negative impact on our business and financial results as a result of increased operational costs or other negative outcomes.

CRTC examination of Bell's device unlocking practices

On April 22, 2025, Bell advised the CRTC of a safety initiative launching that month to address rapidly increasing wireless device theft and fraud, under which new wireless devices would unlock automatically after 60 days, with no-cost early unlocking available upon request. On May 9, 2025, CRTC staff sought information from Bell on how its approach would remain compliant with the Wireless Code of Conduct (the Wireless Code), and Bell responded on May 16, 2025 outlining its approach and proposing paths to address any residual issues.

On November 28, 2025, the CRTC issued a letter suggesting Bell's practice was inconsistent with the Wireless Code, directing Bell to cease selling locked devices and unlock impacted devices, while notifying any affected customers once it had done so. On December 22, 2025, Bell filed its response asking the CRTC to rescind the November letter or otherwise clarify it is not a binding CRTC decision. In the alternative, if the letter were to be treated by the CRTC as a decision, Bell applied to review and vary it, citing substantial doubt as to the decision's correctness on factual, legal, and procedural grounds. In each case, Bell requested a stay pending disposition of the matter.

The timing of any final CRTC resolution of this matter is currently unknown. Any action by the CRTC that requires Bell to undo its current device unlocking practice is likely to negatively impact our business and financial results, including through increased costs related to fraud and other criminal activity or other adverse outcomes.

Radiocommunication Act

ISED regulates the use of radio spectrum under the *Radiocommunication Act* and *Radiocommunication Regulations* to ensure that radiocommunication in Canada is developed and operated efficiently. All companies wishing to operate radio apparatus in Canada must hold a radio licence or spectrum licence to do so. The *Radiocommunication Regulations* specify those persons (including corporations such as Bell Canada and Bell Mobility) who are eligible to be issued radio licences or spectrum licences.

Consultation on 26, 28 and 38 GHz (Millimeter Wave) spectrum licensing framework

On June 6, 2022, ISED initiated a consultation seeking input regarding a policy and licensing framework to govern the auction and use of spectrum licences in the 26, 28 and 38 Gigahertz (GHz) (Millimeter Wave) spectrum bands. The consultation paper seeks comments on the use of a spectrum set-aside for certain auction bidders, or a spectrum cap across the 26, 28 and 38 GHz spectrum bands. ISED proposes that the auctioned licences will have a 10-year term and that there will be limits on the extent of transferability of licences for the first five years of the licence term. In addition, ISED proposes that licensees will be required to deploy a certain number of sites in each licence area at five and nine and a half years following licence issuance. The consultation paper also seeks comments on the transition process for existing 38 GHz licensees from fixed to flexible use (i.e., mobile or fixed use), as well as the limitations on the use of 38 GHz spectrum by satellite earth stations.

On March 6, 2025, ISED initiated a consultation as an addendum to the 2022 *Consultation on a Policy and Licensing Framework for Spectrum in the 26, 28 and 38 GHz Bands* (2022 Millimetre Wave Licensing Consultation), seeking input regarding the repurposing of the lower 26 GHz spectrum band (formerly referred to as the 24 GHz spectrum band) for flexible use for fixed and mobile services and its inclusion in the 2022 Millimetre Wave Licensing Consultation. ISED proposes that 850 MHz of spectrum in the combined 26 GHz spectrum band be allocated for a non-competitive local licensing process and 2.4 GHz of the combined 26 GHz spectrum band be available for the auction process described in the 2022 Millimetre Wave Licensing Framework. The consultation paper also seeks comments on the use of a spectrum cap. ISED has not yet indicated a specific date when the auction will take place. It is unclear what impact the results of this consultation and future-related processes could have on our business and financial results.

On March 6, 2025, ISED released an *Addendum to the Non-Competitive Local Licensing Framework to include Spectrum in the 27.5-28.35 GHz Band* which states that ISED will make available 850 MHz of spectrum in the 28 GHz spectrum band for flexible use operations through a non-competitive local licensing process. Of the 850 MHz of spectrum available, 450 MHz of spectrum will be reserved for use by small operators, including small commercial mobile service providers, non-traditional users and wireless Internet service providers.

Bell Canada Act

Among other things, the *Bell Canada Act* limits how Bell Canada voting shares and Bell Canada facilities may be sold or transferred. Specifically, under the *Bell Canada Act*, the CRTC must approve any sale or other disposal of Bell Canada voting shares that are held by BCE, unless the sale or disposal would result in BCE retaining at least 80% of all of the issued and outstanding voting shares of Bell Canada. Except in the ordinary course of business, the sale or other disposal of facilities integral to Bell Canada's telecommunications activities must also receive CRTC approval.

Other

Bill C-18, the Online News Act

On June 22, 2023, Bill C-18, *An Act respecting online communications platforms that make news content available to persons in Canada* (the Online News Act), received royal assent. The Online News Act requires digital news intermediaries, such as Google, that share news content produced by other news outlets to negotiate commercial arrangements with those news outlets, compensating them for the news content shared on digital platforms. The legislation entitles Bell Media's general news services, such as CTV and Noovo, to compensation. Further details regarding the compensation framework have been set out in regulations that were released on December 15, 2023 (the Regulations). The Regulations clarify that the Online News Act applies to search engines and social media sites that provide access to news content in Canada, provided these platforms earn at least $1 billion in annual global revenue and reach at least 20 million Canadians on a monthly basis. However, the Regulations also allow Google to apply to be exempt from parts of the Online News Act if it commits to pay $100 million annually (growing each year by inflation) to a collective (the Collective) which will then distribute it to eligible news outlets. On June 7, 2024, Google submitted an application for exemption to the CRTC and on October 28, 2024, the CRTC approved a five-year exemption for Google, which required Google to provide payment to the Collective by December 27, 2024 for calendar year 2024. Pursuant to the Regulations, of the $100 million to be paid by Google, news outlets that are also private broadcasters, such as CTV and Noovo, cannot receive more than 30% of the overall compensation available (with other news outlets, such as those associated with newspapers and public broadcasters, receiving the rest). For 2024, Bell Media received a total payment of $8,162,577. Bell Media's application for compensation for 2025 is currently being assessed by the Collective; payment is expected by the end of the first quarter of 2026. Finally, on December 12, 2024, the CRTC established the mandatory bargaining process which would apply between news outlets and digital news intermediaries that are captured by the Online News Act. This framework was necessary for the CRTC to put into place in order to administer the Online News Act. However, while Google retains its exemption, the mandatory bargaining process is not expected to be utilized.

Bill C-2, the Strong Borders Act

On June 3, 2025, the federal government introduced Bill C-2, *An Act respecting certain measures relating to the security of the border between Canada and the United States and respecting other related security measures* (the Strong Borders Act), in response to calls from the U.S. administration for enhanced security along the U.S.-Canada border. Bill C-2 proposes the creation of a new *Supporting Authorized Access to Information Act*, as well as amendments to the *Criminal Code* and *Canadian Security Intelligence Service Act*, which would grant law enforcement and other government bodies broader authority to demand information – including a wider range of subscriber data – from service providers such as Bell Canada. In urgent situations, these demands could be made without a warrant. Additionally, Bill C-2 would require service providers to proactively develop, test, and maintain systems that enable the extraction and provision of information to law enforcement. Service providers would be obligated to facilitate access, support system testing, and comply with inspections/audits, significantly expanding our obligations beyond simply responding to requests. The legislation establishes a general framework for compensating service providers but leaves key details to future regulations and indicates compensation for Ministerial orders is discretionary. The expanded scope of lawful access requests will require us to increase staffing and incur new costs to meet the information demands. The legislation also includes fines and administrative monetary penalties for non-compliance. At this time, it is unclear how these legislative changes might affect our business operations and financial results.

On October 8, 2025, the federal government tabled the *Strengthening Canada's Immigration System and Borders Act* (Bill C-12) as a streamlined version of Bill C-2 that focuses on border and immigration controls and omits the lawful access provisions that had raised opposition and civil liberties concerns. While it has not been formally withdrawn, the status of Bill C-2 is now unclear.

8.2 U.S. regulatory environment

Introduction

Certain services offered by Ziply Fiber in the U.S. are subject to extensive federal, state and local regulation, including oversight by the FCC, state public utility commissions, municipalities and other governmental authorities, which collectively influence the rates, terms, deployment, interconnection, certifications, and operational conditions applicable to our U.S. operations. As both an ILEC and a CLEC, we operate under regulatory frameworks that include carrier-of-last-resort obligations in certain states, service quality and reporting standards, and, price-cap regulation, while municipalities and other local governmental bodies regulate access to public rights-of-way and may require franchises, licenses, permits, and compliance with local construction codes. The cumulative effect of these regimes, and any changes thereto, may increase compliance costs, constrain operational flexibility and rate adjustments, affect subsidy funding, and materially influence the competitive dynamics in Ziply Fiber's markets.

U.S. regulatory developments and risks

The following highlights U.S. legal, regulatory and policy developments that affect, or could affect, Ziply Fiber's business, financial condition and results of operations.

Federal and state subsidies; universal service programs; affordability programs

Ziply Fiber participates in U.S. federal and state subsidies targeted at high-cost, rural network deployment including legacy high-cost support, the Connect America Fund Phase II (CAF II) as well as its contemporary program, the Rural Digital Opportunity Fund (RDOF). These awards require satisfaction of buildout milestones, service obligations and reporting requirements; failure to comply may lead to penalties, forfeitures or disqualification from future programs. In addition, Ziply Fiber participates in U.S. federal and in multiple state low-income subsidy programs. Ongoing legal challenges to aspects of these universal service programs and potential policy changes could adversely affect both the availability of support and our ability to recover contributions. Further, the termination or material modification of federal affordability initiatives may affect demand dynamics, uptake by income-constrained customers, and associated reimbursements to participating providers.

ILEC/CLEC obligations; state service quality and price regulation

As an ILEC in several states, Ziply Fiber remains subject to service obligations, including carrier-of-last-resort requirements, and to various service quality standards and reporting, with potential penalties or other enforcement actions for non-compliance. We are subject to price cap or alternative rate plans for specific services, and program expirations may require renegotiation that could affect rates, infrastructure investment commitments, and operating performance. We continue to advocate for no or reduced regulation with the regulatory agencies in those states. Our CLEC operations are also subject to state certification, limited rate regulation and interconnection frameworks that govern how we interface with other carriers and access critical network elements.

Rights-of-way, franchises and local permitting

Our network deployment and operations depend on access to public rights-of-way, poles and conduits. Further, we are required to obtain local franchises/licenses, permits, and related approvals. Local authorities may attempt to revise, condition, or terminate existing rights or impose new fees, buildout or customer service obligations, which could materially increase costs or delay deployment. Judicial and FCC precedent concerning local rights-of-way fees remains unsettled, and future developments could increase our obligations or encourage additional competitive entry.

Pole attachments and access to utility infrastructure

Timely and cost-effective attachment to third-party poles and access to conduits remain critical inputs to our fibre deployment programs. However, we continue to face risks associated with extended make-ready intervals, fielding requirements, engineering disputes, and allocation of replacement costs, all of which can increase capital intensity and elongate build schedules. These risks can be more acute where municipalities, public utility districts, or electric cooperatives own poles that are not subject to uniform federal timelines or where local processes impose additional inspections, traffic management plans, or seasonal construction moratoria.

At the federal level, the FCC has adopted timelines and other procedural safeguards to accelerate access for large applications for certain applicants and has completed rulemakings aimed at streamlining attachments, including proposals relating to upfront make-ready payments, true-up limits, contractor approval and onboarding, and standardized dispute-resolution tracks. Even with these measures, practical barriers – such as limited availability of qualified crews, sequential workflow requirements across multiple pole owners, and disagreements over cost responsibility for pole replacements or mid-span clearance work – can still materially delay projects and increase costs.

We also operate under a patchwork of state and local regimes that can diverge from federal pole-attachment rules, including jurisdictions with distinct "one-touch make-ready" procedures, separate safety or vegetation-management standards, or different approaches to allocating costs for pole replacements versus routine make-ready. In addition, large-scale public funding programs for broadband may strain pole-owner resources and permitting offices, potentially lengthening review cycles. We continue to use the FCC's and state commissions' complaint and mediation processes, where appropriate, while prioritizing negotiated joint-use and attachment agreements to support timely, efficient deployment.

Foreign ownership and national security commitments

Under FCC rules and associated executive branch policies associated with FCC authorizations held by Ziply Fiber, non-U.S. ownership of Ziply Fiber triggered certain special filing requirements, together with review of the transaction by the Committee for the Assessment of Foreign Participation in the United States Telecommunications Services Sector. To conclude that process, Ziply Fiber, BCE Holding Corporation, and BCE entered into a Letter of Agreement (LOA) with the Committee for the Assessment of Foreign Participation in the United States Telecommunications Services Sector, the U.S. Department of Justice and the U.S. Department of Homeland Security (commonly known as Team Telecom) under which they made certain commitments intended to ensure that the transaction would be consistent with U.S. national security, law enforcement, and similar interests. As is standard with such agreements involving foreign-owned U.S. carriers, the FCC made compliance with the LOA a condition of Ziply Fiber's FCC authorizations. FCC rules also require Ziply Fiber to seek further approvals if any previously unapproved non-U.S. investor obtains, or seeks to obtain, direct or indirect interests in Ziply Fiber that exceed certain thresholds. If any new Ziply Fiber foreign ownership were to exceed such levels without further FCC authorization and/or if Ziply Fiber, BCE Holding Corporation, or BCE were to fail to meet their obligations under the LOA, the FCC could subject Ziply Fiber to a range of monetary and other penalties, which could (in extreme cases) include license revocation proceedings. Any such penalties could have a material adverse effect on Ziply Fiber's business, financial condition and results of operations and consequently, adversely affect our financial performance.

Broadband classification and "net neutrality"

The regulatory status of broadband internet access service (BIAS) remains a source of uncertainty and risk for ISPs, with significant implications for network management flexibility, compliance burdens, and potential state-federal conflicts. While the FCC has, at times, treated BIAS as an unregulated information service with limited federal disclosure obligations, recent federal actions and court decisions have vacillated, and some states have adopted or considered state-level net neutrality or broadband affordability mandates, contributing to a patchwork of rules. In January 2025, the U.S. Court of Appeals for the Sixth Circuit invalidated an FCC order that reclassified broadband as a Title II telecommunications service and imposed associated "net neutrality" rules. The proliferation of state-level broadband regulations could increase compliance costs and operational complexity for ISPs operating across multiple jurisdictions.

9 Business risks

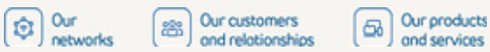
A risk is the possibility that an event might happen in the future that could have a negative effect on our business, financial condition, liquidity, financial results or reputation. The actual effect of any event could be materially different from what we currently anticipate. The risks described in this MD&A 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 materially and adversely affect our business, financial condition, liquidity, financial results or reputation.

This section describes the principal business risks that could have a material adverse effect on our business, financial condition, liquidity, financial results or reputation, and cause actual results or events to differ materially from our expectations expressed in, or implied by, our forward-looking statements. Certain of these principal business risks have already been discussed in other sections of this MD&A, and we refer the reader to those sections for a discussion of such risks. All of the risk discussions set out in the sections referred to in the table below, as well as the risk discussion relating to general economic conditions and geopolitical events set out in Section 3.3, *Principal business risks*, are incorporated by reference in this section 9.

Risks discussed in other sections of this MD&A	Section references
Competitive environment	Section 3.3, *Principal business risks* Section 5, *Business segment analysis* (*Competitive landscape and industry trends* section for each segment)
Regulatory environment and compliance	Section 3.3, *Principal business risks* Section 8, *Regulatory environment*
Security management and data governance	Section 3.3, *Principal business risks*
Risks specifically relating to our Bell CTS Canada, Bell CTS U.S. and Bell Media segments	Section 5, *Business segment analysis* (*Principal business risks* section for each segment)

The other principal business risks that could also have a material adverse effect on our business, financial condition, liquidity, financial results or reputation are discussed below.

Customer experience



Driving a positive customer experience in all aspects of our engagement with customers is important to avoid brand degradation and other adverse impacts on our business and financial performance

We aim to create best-in-class experiences across all channels to meet stakeholder expectations. This involves maintaining an omni-channel presence to provide necessary platforms for customers to research, interact, and purchase, while leveraging AI tools in all facets of our operations. As the bar continues to be raised by customers' evolving expectations of service and value, failure to get ahead of such expectations and build a more robust and consistent service experience at a fair value proposition could hinder product and service differentiation and customer loyalty. The foundation of effective customer service is the ability to deliver high-quality, consistent, and simple solutions in an expeditious manner and on mutually agreeable terms. Although we seek to reduce complexity in our operations through our transformation initiatives, we operate with multiple technology platforms, ordering and billing systems, sales channels, marketing databases, and a myriad of rate plans, promotions, brands, and product offerings, in the context of a large customer base and a hybrid and remote workforce that continuously requires training, monitoring, and replacement. This may limit our ability to respond quickly to market changes and reduce costs, and may lead to customer confusion or billing, service, or other errors, which could adversely affect customer satisfaction, acquisition, and retention. Media attention to customer complaints could also erode our brand and reputation and adversely affect customer acquisition and retention. In addition, the current global economic environment may bring about further workforce reduction initiatives or limit investments, which could negatively impact the rapidity of our response to customer demands and the overall customer experience.

With the proliferation of connectivity services, apps, and devices, customers are accustomed to doing things when, how, and where they want through websites, self-serve options, web chat, call centres, and social media forums. These customer demands have intensified over the years, with the resulting shift to online transactions and expectation of seamless digital self-service. We seek to provide the necessary platforms for customers to research, interact, purchase, and receive service, and to continuously improve our call centre experience and self-serve tools to improve customer service and drive household penetration. Customers' journey is increasingly completed on mobile devices, requiring alignment of websites, customer support platforms, and marketing. Understanding the customer relationship as a whole in a multi-product environment and delivering a simple, seamless experience at a fair price is increasingly central to an evolving competitive dynamic. As part of our strategy to enhance service delivery and operational efficiency, we have increased our strategic partnerships with leading technology providers and have become increasingly reliant on cloud-based solutions and platforms. While these partnerships enable us to offer innovative services and improve scalability, they also create dependencies on third-party infrastructure and systems. Service outages or disruptions experienced by our technology partners, such as Google, Amazon, ServiceNow, or other cloud service providers, could adversely impact our ability to serve customers, process transactions,

and maintain seamless operations, potentially leading to customer dissatisfaction, revenue loss, and reputational harm.

We constantly seek to innovate in the ways we engage with customers and deliver service and support in an omni-channel, streamlined, and simplified manner to reduce transaction friction and costs, enhance self-serve options, improve first call resolution, and reduce fraud attempts, such as spam and fraudulent calls or text messages, in order to build trust, improve our appeal, and reduce churn. This includes improvements to the range and capabilities of our call centres, our online self-serve and support options, and the deployment of innovative tools that use AI and machine learning technologies. While we have introduced new services and tools, we are unable to predict whether such services and tools will be sufficient to meet customer expectations. Failure to develop true omni-channel, streamlined and simplified capabilities and improve our customer experience by digitizing and developing a consistent, fast, and on-demand end-to-end experience before, during and after sales using new technologies such as AI and machine learning, in parallel with our network evolution, could also adversely affect our business, financial results, reputation, and brand value. Such development activities could further be challenged by the scarcity of skilled resources in a competitive labour market.

While AI, including the use of customer-facing chatbots, could provide for better, cost-effective, and convenient customer experiences, we must carefully assess the challenges associated with the use of such technology by us, such as the intentional or unintentional misuse of AI tools by our employees or third parties, model hallucinations, the provision by our AI systems of inaccurate information about our products or services to our customers, or the existence of an explicit or implicit bias in our AI models. Failure to do so could harm our brand and reputation, cause disruption to our business operations, and expose us to customer complaints, regulatory scrutiny, and litigation. Refer to the section entitled *Transformation* below for details regarding our AI-related risks.

Additionally, customers' perception of our products, services, brand, and corporate image is also important. Embracing topics that matter to the stakeholder value proposition, such as sustainability practices and the reporting of such practices, adds an important layer to the customer perception of our company and thus to the overall customer experience. Failure to positively influence customer perceptions through effective communication, including through our use of social media and other communication media, or otherwise, could adversely affect our business, financial results, reputation, and brand value.

Transformation

Our networks | Our customers and relationships | Our products and services | Our financial resources

The evolution and transformation of our networks, systems and operations using next-generation technologies, while lowering our cost structure, are essential to effective competition and customer experience

Globalization, increased competition, and ongoing technological advances are driving customer expectations for faster market responses, improved customer service, enhanced user experiences, and cost-effective delivery. Meeting these expectations requires the deployment of new service and product technologies, along with customer service tools that are network-neutral and based on a more collaborative and integrated development environment. The availability of improved networks and software technologies further provides the foundation for better and faster connections, which have, in turn, led to significant growth in IoT applications. Change can be difficult and may present unforeseen obstacles that might impact successful execution, and this transition is made more challenging by the complexity of our multi-product environment, combined with the complexity of our network and IT infrastructure.

We are pursuing an operational transformation, which entails improving the experience and value we deliver to customers, enabled by modernized infrastructure, simplified and automated business processes, and a right-sized cost model. Failure to successfully pursue this transformation and accurately assess the potential of new technologies, make critical updates to existing network capabilities, achieve cloud integration, fortify cybersecurity, and manage increasing interdependencies with third-party technology providers, or to invest and evolve in the appropriate direction in an environment of changing business models, could limit our ability to deliver value to our customers through easy and simple buy and support interactions, and through enabling them to get what they want much faster through any channel, as well as limit our customers' ability to receive products, services, and content on any device or at any location regardless of network access type. As a result, this could have an adverse impact on our business and financial results.

Our network and IT evolution activities seek to leverage both new and emerging technologies, including network functions virtualization, AI and machine learning, process automation, software-defined networks, cloud technologies, multi-edge computing, open source software, "big data," and IoT. These activities are designed to transform our networks and systems through consolidation, virtualization, and automation, enabling us to become more agile in our service delivery and operations, provide omni-channel capabilities for our customers, and drive lower costs. Our evolution efforts also focus on building next-generation converged wireline and wireless networks by leveraging smart-core technologies to deliver competitive quality and customer experience at an efficient cost structure amid rapidly growing capacity requirements. Alignment across technology platforms, product and service development, and operations is increasingly critical to ensure appropriate trade-offs and optimize capital allocation. Failure to adopt best-in-class technology practices in transforming our operations to enable a truly customer-centric service experience may hinder our ability to build customers' trust in our innovation and technological capabilities, and to compete on footprint, service experience, and cost structure. It may also lead to missed opportunities and negatively impact business agility and growth. Planning and executing multiple complex projects within the desired delivery timelines can also be challenging. Any one or more of the above could have an adverse impact on our business, financial results, and reputation.

Customer retention and new customer acquisitions may be hindered during our transformation initiatives if such transformation causes poor service performance, which in turn may adversely affect our ability to achieve operational and financial objectives. Failure to quickly maximize adaptable infrastructures, processes, and technologies to efficiently respond to evolving customer patterns and behaviours, and to leverage IP and automation across many facets of our network, product, and service portfolio could inhibit a fully customer-centric approach. This could reduce our ability to provide comprehensive self-serve convenience, real-time provisioning, cost savings, and flexibility in delivery and consumption, leading to negative business and financial outcomes.

We further seek to expand our network footprint to enhance our value proposition and meet customer needs while deploying technologies to support growth. However, adverse government, regulatory, or court decisions may impact the specific nature, magnitude, location, and timing of investment decisions. In particular, the requirement to provide aggregated access to our FTTP on a wholesale basis, lowering of rates by the CRTC of mandated wholesale services over FTTP and/or FTTN, the imposition of unfavourable terms or the adoption of unfavourable rates in arbitration processes associated with the facilities-based MVNO access service the CRTC has implemented, the potential for additional mandated access to our networks, or the imposition of broader wholesale obligations on wireless networks would undermine the incentives for facilities-based digital infrastructure providers to invest in next-generation wireline and wireless networks. Failure to continue investment in next-generation capabilities in a disciplined, timely, and strategic manner could limit our ability to compete effectively and to achieve desired business and financial results.

Other examples of risks that could affect the achievement of our desired transformation include the following:

- Failure to have our people, processes, and culture evolve to a cross-functional approach to eliminate business unit silos and promote a holistic “One Bell” mindset may impact our transformation initiatives
- The current global economic environment, as well as geopolitical events, may bring about further incremental costs, delays, or unavailability of equipment, materials, and resources, which may impact our ability to continue building next-generation converged networks and drive other transformation initiatives
- The costs of significant legacy networks, IT systems, and reliance on outsourced IT, as well as execution risk and lower or slower than expected savings achieved through targeted savings initiatives (e.g., vendor management, real estate optimization), could impact our ability to invest in our transformation
- Failure to effectively engage with external partners and other industries, could hinder innovation and limit market opportunities
- Challenges in hiring, retaining, insourcing, and developing technical and skilled resources could adversely impact transformation initiatives. Potential deterioration in employee morale and de-prioritization of transformation initiatives due to staff reductions, cost reductions, or reorganizations could adversely affect our transformation and financial results.
- Suboptimal capital deployment in network build, infrastructure and process upgrades, and customer service improvements, could hinder our ability to compete effectively
- A cloud-based strategy with multiple service providers requires a different architecture framework and execution for each service provider, which could slow the pace of our transformation
- We, and other telecommunications carriers upon which we rely to provide services, may not be able to purchase high-quality, reputable network equipment and services from third-party suppliers on a timely basis and at a reasonable cost
- Network construction and deployment on municipal or private property requires the issuance of municipal or property owner consents, respectively, for the installation of network equipment, which could increase the cost of, and cause delays in, fibre and wireless rollouts
- The successful deployment of 5G mobile services could be impacted by various factors affecting coverage and costs
- Higher demand for faster Internet speed and capacity, coupled with governmental policies and initiatives, creates tensions around FTTP deployment in terms of geographic preference and pace of rollout
- The increasing dependence on applications for content delivery, sales, customer engagement, and service experience drives the need for new and scarce capabilities (sourced internally or externally) that may not be available, as well as the need for associated operating processes integrated into ongoing operations
- New products, services, or applications could reduce demand for our existing, more profitable service offerings or cause prices for those services to decline, and could result in a shorter life cycle for existing or developing technologies, which could increase depreciation and amortization expenses
- The decommissioning of legacy equipment could be challenged by customer and regulatory requirements to continue using older technologies, as well as inherent risks involved with transitioning to new systems
- As content providers’ business models change, content consumption habits evolve, and viewing options increase, our ability to aggregate and distribute relevant content and our ability to develop alternative delivery vehicles to compete in new markets and increase customer engagement and revenue streams may be hindered by the significant software development and network investment required
- Successfully managing the development and deployment of relevant product solutions on a timely basis to match the speed of adoption of IoT in the areas of retail, business, and government could be challenging
- Customers continue to expect improvements in customer service, new functions and features, and reductions in the price charged to provide those services. Our ability to provide such improvements increasingly relies upon using a number of rapidly evolving technologies, including AI and machine learning. However, the use of such technologies is being increasingly scrutinized by legislators and regulators. If we cannot build market-leading competencies in the use of these emerging technologies in a way that respects societal values, we may not be able to continue to meet changing customer expectations and to continue to grow our business.

We are using AI technologies in our business solutions and operations, which may present business, reputational, and compliance risks

We are focused on ensuring the responsible development and use of AI technologies, both within BCE and through our partnerships. In 2023, BCE adopted a Responsible AI Policy to proactively address AI-related risks. Our approach to the development and use of AI aligns with our ethics, privacy, and security requirements, as well as our broader sustainability objectives to foster customer, employee, and other stakeholder confidence in this technology.

We have implemented AI programs across various areas of our business, including customer experience, network quality, operational efficiency, agent training, and employee assistants. We also offer AI-powered solutions to our enterprise customers, including AI data centres. However, the expanded use of AI – particularly generative AI – also increases our exposure to business, reputational, and compliance risks.

Accordingly, it is essential that we carefully assess and manage the challenges associated with our use of AI technologies, as well as by our customers, business partners and third-party vendors. These challenges include preventing the intentional or unintentional misuse of AI tools by employees, customers or third parties; ensuring that our AI systems do not provide inaccurate or misleading information to customers, employees and other users; avoiding explicit or implicit bias or discrimination in AI models; obtaining proper consent for the collection and use of personal data to train and operate AI systems; and preventing the generation of content that may infringe on third-party intellectual property rights. Failure to adequately address AI-related risks could result in the unauthorized disclosure of confidential information and personal data; theft, fraud, or cyberattacks; disruptions to our business operations; financial losses; harm to our brand and reputation; decreased customer and investor confidence; exposure to customer complaints, regulatory or legal action; and a loss of competitive advantage.

The increased use of AI by our third-party vendors may further elevate our exposure to these risks, as our risk profile would expand beyond our immediate control.

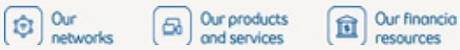
As the legal and regulatory framework for AI evolves, new requirements may increase our exposure to litigation and regulatory actions, increase compliance costs, limit our ability to integrate certain AI capabilities into our products and services, and have an adverse effect on customer demand and our financial performance.

We risk reputational damage if our AI initiatives do not achieve their intended objectives, are not seamlessly incorporated, or are perceived as unsuccessful. We also risk experiencing a decline in our competitive positioning if our competitors leverage AI more effectively to improve their internal processes or develop new or enhanced products or services that we cannot match. Should they succeed more than us in adopting and implementing AI, our ability to compete effectively may be affected, which could have an adverse effect on our business and financial results. Further, developing and implementing AI technologies in our business may require significant additional costs and resources and, if the expected benefits of the adoption of AI are not achieved, these costs may have a negative impact on our financial performance.

Failure to obtain or maintain a social license to operate AI data centres exposes us to operational, financial, and reputational risks, including delays, increased costs, financial losses, reduced confidence among customers, investors and the public, regulatory or legal action, difficulties attracting and retaining talent, loss of competitive advantage, and could ultimately lead to suspension or cancellation of planned AI data centres initiatives.

Furthermore, deploying AI solutions in our products or services in ways that are perceived as divisive – due to potential impacts on employment, data privacy, or human rights – could result in competitive disadvantages, reduced customer adoption, financial losses, harm to our brand and reputation, and legal or regulatory consequences.

Operational performance



Our networks and IT systems are the foundation of high-quality consistent services, which are critical to meeting service expectations

Our ability to develop and execute strategies against plans, and provide high-quality, consistent, reliable, and resilient wireless, wireline, media and AI services to customers in a complex and changing operating environment, is crucial for sustained success. It is therefore essential that we continuously refine our operating model in order to meet customer expectations for product and service experience at an efficient cost structure, while leveraging acquired businesses and skill sets, and proactively managing strategic partnerships.

Network capacity demands for content offerings and other bandwidth-intensive applications on our wireline and wireless networks have been growing at unprecedented rates. Unexpected capacity pressures on our networks may negatively affect our network performance and our ability to provide services. Evolving customer behaviour and their use of our networks, products, and services have created increased capacity pressure on certain areas of our wireless, wireline, and media networks, and there can be no certainty that our networks will continue to sustain such increased usage. In addition, we may need to incur significant capital expenditures in order to provide additional capacity and reduce network congestion. The trend for families to move from urban centres to less urbanized areas increases the need to develop and/or enhance our networks in areas that were not previously served or that were underserved.

Customers and other stakeholders expect that we deliver reliable service performance, enabled by our networks and other infrastructure, as well as the networks and other infrastructure of third-party providers on which we rely. Issues relating to network availability, speed, consistency, and traffic management, whether on our current or legacy networks, could adversely affect our customers, including by preventing the provision of critical services. Such issues could also have an adverse impact on our business, reputation, and financial performance. Heightened scrutiny by regulatory authorities with respect to network availability could lead to increased identification of non-compliance and potential fines. Furthermore, we may need to manage the possibility of instability in the context of our transformation initiatives, including as we transition towards converged wireline and wireless networks and newer technologies, such as software-defined networks leveraging open source software and cloud services, and increased reliance on third-party hyperscale cloud providers. Network failures and slowdowns, whether caused by internal or external forces, human error or threat, or external events, could adversely affect our brand and reputation, subscriber acquisition and retention, as well as our financial results. While we invest in the resiliency of our networks and other infrastructure, and establish response strategies and business continuity protocols to seek to maintain service consistency, there is no assurance that such investments and protocols will be sufficient to prevent network failure, or the failure of other infrastructure, or a disruption in the delivery of our services.

In addition, we currently use a large number of interconnected internal and third-party operational and business support systems for provisioning, networking, distribution, broadcast management, ordering, billing, and accounting, which may hinder our operational efficiency. If we fail to implement, maintain, or manage highly effective IT systems supported by an effective governance and operating framework, and implement transformation initiatives to streamline and integrate our processes and systems, this may lead to inconsistent performance and dissatisfied customers, which over time could result in higher churn. It may also limit our cross-sell capabilities across our portfolio of products and services.

Further examples of risks to operational performance that could impact our reputation, business operations and financial performance include the following:

- The current global economic environment, as well as geopolitical events, may bring about further incremental costs, delays, or unavailability of equipment, materials, and resources, which may impact our ability to maintain or upgrade our networks in order to accommodate increased network usage and to provide the desired levels of customer service
- Failure to maintain required service delivery amid operational challenges (including those related to targeted cost savings initiatives and the availability of employees with the required skill set), and a transformation of our infrastructure and technology, could adversely affect our brand, reputation, and financial results
- We may lose sales should we fail to maximize channel efficiencies, including the increasingly important digital and self-serve channels, which could adversely affect our financial results
- Corporate restructurings, system replacements and upgrades, process redesigns, staff reductions, and the integration of business acquisitions, may not deliver the benefits contemplated, or be completed when expected, and could adversely impact our ongoing operations
- Failure to streamline our significant IT legacy system portfolio and proactively improve operating performance could adversely affect our business and financial results
- We may experience more service interruptions or outages due to legacy infrastructure. In some cases, vendor support is no longer available or legacy vendor operations have ceased. Copper theft and vandalism to our telecommunications infrastructure may also cause service disruptions and jeopardize community safety.
- An increase in lost-time accident rate by our employees could adversely impact our ongoing operations
- There may be a lack of replacement parts and competent, cost-effective resources to perform the life cycle management and upgrades necessary to maintain the operational status of legacy networks and IT systems
- Climate change increases the probability, frequency, intensity, and duration of severe weather-related events such as ice, snow, and windstorms; wildfires; flooding extended heat waves; hurricanes; tornadoes; and tsunamis, all of which could impact network availability and performance and drive more repairs of network equipment

Our operations and business continuity depend on how well we protect, test, maintain, replace and upgrade our networks, IT systems, equipment and other facilities

Our operations, service performance, reputation, business continuity, and strategy depend on how well we and our contracted product and service providers, as well as other telecommunications carriers on which we rely to provide services, protect our or their networks and IT systems, as well as other infrastructure and facilities, from events such as information security attacks, unauthorized access or entry, fire, natural disasters, power loss, building cooling loss, acts of war or terrorism, sabotage, vandalism, actions of neighbours, and other events. Climate change could heighten the occurrence of certain of the above-mentioned risks. We must also manage business continuity issues caused by internal sources, including human error, human-caused threats, and inefficiencies. Establishing response strategies and business continuity protocols to maintain service consistency if any disruptive event materializes is critical to the achievement of effective customer service. Any of the above-mentioned events, as well as the failure by us, or by other telecommunications carriers on which we rely to provide services, to adequately complete planned and sufficient testing, maintenance, replacement, or upgrade of our or their networks, equipment and other facilities, which is, among other factors, dependent on our or their ability to purchase equipment and services from third-party suppliers, could disrupt our operations (including through disruptions such as network and other infrastructure failures, billing errors, or delays in customer service), require significant resources and result in significant remediation costs, which in turn could have an adverse effect on our business and financial performance, or impair our ability to keep existing subscribers or attract new ones.

In addition, the current global economic environment as well as geopolitical events may bring about further incremental costs, delays or unavailability of equipment, materials and resources, which could impact our operations and business continuity strategies.

Satellites used to provide our satellite TV services are subject to significant operational risks that could have an adverse effect on our business and financial performance

Pursuant to a set of commercial arrangements between ExpressVu and Telesat Canada (Telesat), we currently have satellites under contract with Telesat. Telesat operates or directs the operation of these satellites, which utilize highly complex technology and operate in the harsh environment of space, and are therefore subject to significant operational risks while in orbit. These risks include in-orbit equipment failures, malfunctions, and other problems, commonly referred to as anomalies, that could reduce the commercial usefulness of a satellite used to provide our satellite TV services. Acts of war or terrorism, magnetic, electrostatic, or solar storms, or space debris or meteoroids could also damage such satellites. Any loss, failure, manufacturing defect, damage, or destruction of these satellites, our terrestrial broadcasting infrastructure, or Telesat's tracking, telemetry and control facilities to operate the satellites could have an adverse effect on our business and financial performance and could result in customers terminating their subscriptions to our satellite TV service.

Ziply Fiber's fibre expansion plan, and the benefits expected to result from the formation of Network FiberCo, are subject to risks and uncertainties

Under Ziply Fiber's fibre expansion plan, we intend to grow Ziply Fiber's fibre network to increase Ziply Fiber's revenues and number of customers, and in turn, increase its profitability and cash flows. These programs and initiatives require significant investment and resources, and may divert attention from ongoing operations and other strategic initiatives. There can be no assurance that Ziply Fiber's current and future initiatives and programs will be successful, or that the actual returns from these programs and initiatives will not be lower than anticipated or take longer to realize than we anticipate. For example, we may not reach our targets to expand and penetrate Ziply Fiber's existing fibre network on the timelines we anticipate, or at all. If Ziply Fiber's current and future programs and initiatives are unsuccessful, result in lower returns than we anticipate, or take longer than we anticipate, it could have a material adverse effect on Ziply Fiber's results of operations and, consequently, adversely affect the financial performance of our Bell CTS U.S. segment.

Additionally, there can be no assurance that the benefits expected to result from the formation of Network FiberCo, a long-term strategic partnership between BCE and PSP Investments to accelerate the development of fibre infrastructure through Ziply Fiber, will be realized. Further, Network FiberCo is subject to many of the same risks as Ziply Fiber, including those with respect to regulatory matters, pole attachment agreements and licenses. Refer to section 8.2, *U.S. regulatory environment*, of this MD&A for more details.

The integration of Ziply Fiber as a subsidiary of BCE may not be as successful as anticipated and disruptions from the transaction could harm our business

The acquisition of Ziply Fiber (the Acquisition) involves strategic, financial, accounting, legal, tax, and other functions that must be integrated. Difficulties in integrating Ziply Fiber as a subsidiary of BCE may result in the combined company performing differently than expected. Our other businesses could also be negatively impacted by this acquisition. More specifically, potential difficulties that may be encountered in the integration process include, among other factors:

- The inability to successfully integrate Ziply Fiber as a BCE subsidiary in a manner that permits us to achieve the anticipated benefits from the Acquisition
- Performance shortfalls at Ziply Fiber or BCE resulting from the diversion of management's attention caused by the Acquisition
- Funding the operations and planned capital expenditures of Ziply Fiber
- The disruption of, or loss of momentum in, our business or inconsistencies in standards, controls, procedures, and policies
- Integrating relationships with customers, vendors and business partners

Financial management

Our networks | Our products and services | Our financial resources

If we are unable to raise the capital we need or generate sufficient cash flows from operating activities, we may need to limit our capital expenditures or our investments in new businesses, or try to raise capital by disposing of assets

Our ability to meet our cash requirements, fund capital expenditures and provide for planned growth depends on having access to adequate sources of capital and on our ability to generate cash flows from operating activities, which is subject to various risks, including those described in this MD&A.

Our ability to raise financing depends on our ability to access the public equity and debt capital markets, the money market, as well as the bank credit market. Our ability to access such markets and the cost and amount of funding available depend largely on prevailing market conditions and the outlook for our business and credit ratings at the time capital is raised.

Risk factors such as capital market disruptions; political, economic, and financial market instability in Canada, the U.S., or abroad; tariffs; government policies; central bank monetary policies; increasing interest rates; inflation; changes to bank capitalization or other regulations; reduced bank lending in general; or fewer banks as a result of reduced activity or consolidation could reduce capital available or increase the cost of such capital. In addition, an increased level of debt borrowings could result in lower credit ratings, increased borrowing costs, and a reduction in the amount of funding available to us, including through equity offerings. Business acquisitions could also adversely affect our outlook and credit ratings and have similar adverse consequences. There is no assurance that we will maintain our credit ratings, and a ratings downgrade could result in adverse consequences for our funding cost and capacity, and our ability to access the capital markets, money market, and/or the bank credit market. In addition, participants in the public capital and bank credit markets have internal policies limiting their ability to invest in, or extend credit to, any single entity or entity group or a particular industry. Finally, with increasing emphasis by the capital markets on sustainability performance and reporting, there is a potential for the cost and availability of funding to be increasingly tied to the quality of our sustainability practices and related disclosed metrics.

Our bank credit facilities, including credit facilities supporting our commercial paper program, are provided by various financial institutions. While it is our intention to renew certain of such credit facilities from time to time, there is no assurance that these facilities will be renewed on favourable terms or in similar amounts.

Global financial markets have experienced, and could again experience, significant volatility and weakness as a result of market disruptions, including those relating to the economy, the imposition of tariffs, and geopolitical events. The current global economic environment could continue to negatively impact equity and debt capital markets, cause interest rate and currency volatility and movements, and adversely affect our ability to raise financing in the public capital, bank credit, and/or commercial paper markets, as well as the cost thereof. Additionally, the negative impact of the global economic environment and a potential recession, as well as elevated levels of inflation and interest rates affecting our customers' financial condition, could adversely affect our ability to recover payments on receivables and lead to further increases in bad debts. This, in turn, could negatively impact our revenues and cash flows, as well as our position under our securitized receivables program.

Differences between BCE's actual or anticipated financial results and the published expectations of financial analysts, as well as events affecting our business or operating environment, may contribute to volatility in the market price of BCE's securities. A major decline in the financial markets in general, or a decrease in the market price or fluctuations in trading volumes of BCE's securities, may negatively affect our ability to raise debt or equity capital, retain senior executives and other key employees, make strategic acquisitions, or enter into joint arrangements.

If we cannot access the capital we need or generate cash flows to implement our business plan, or meet our financial obligations on acceptable terms, we may have to limit our ongoing capital expenditures and our investment in new businesses, or attempt to raise additional capital by selling or otherwise disposing of assets. Any of these actions could have an adverse effect on our cash flows from operating activities and on our growth prospects.

We cannot guarantee that our dividend payout policy will be maintained or achieved, or that dividends will be maintained or declared

Maintaining or achieving BCE's dividend payout policy, maintaining the BCE common share dividend, as well as the declaration of dividends on any of BCE's outstanding shares, are subject to the discretion of the BCE Board and, consequently, there can be no guarantee that BCE's dividend payout policy will be maintained or achieved, that the dividend on common shares will be maintained or that dividends will be declared on any of BCE's outstanding shares. Maintaining or achieving BCE's dividend payout policy, maintaining dividends and the declaration of dividends by the BCE Board are ultimately dependent on BCE's corporate strategy, operations and financial results which are, in turn, subject to various assumptions and risks, including those set out in this MD&A.

The failure to reduce costs, unexpected increases in costs and the failure to optimize capital spending, could adversely affect our ability to execute our business strategy and meet our financial guidance

Our objective to lower our cost structure and meet our deleveraging targets continues to be aggressive, with a company-wide focus on cost transformation and reduction, but there is no assurance that we will be successful in reducing costs or leverage. Examples of risks to our ability to reduce costs, meet our deleveraging targets or limit potential cost increases include the following:

- Inflation could continue to result in higher input costs for equipment, products, and services, and create increased pressure for wage increases
- Increased costs related to tariffs and geopolitical events, in particular as they impact our supply chain, could persist for an undetermined period of time
- Increasing or high interest rates could negatively impact our cost of financing
- Our cost reduction objectives require aggressive negotiations with our suppliers, and there can be no assurance that such negotiations will be successful or that replacement products or services provided will not lead to operational issues
- As suppliers continue to shorten software life cycles, the cost of seeking to maintain adequate information security solutions increases
- Achieving timely cost reductions while moving to an IP-based network is dependent on disciplined network decommissioning, which can be delayed by customer contractual commitments, regulatory considerations, and other unforeseen obstacles
- Failure to contain growing operational costs related to network sites, network performance and resiliency, footprint expansion, spectrum licences, insurance, and content and equipment acquisition could have a negative effect on our financial performance
- In addition to the potential impact from the global economic environment and geopolitical events, fluctuations in energy prices are further partly influenced by government policies to address climate change, such as carbon pricing which, combined with growing data demand, including from AI data centres that increases our energy requirements, could increase our energy costs beyond our current expectations
- Failure to successfully deliver on our contractual commitments, whether due to security events, operational challenges, or other reasons, may cause us to incur financial penalties and loss of revenues

In addition, as part of our business operations and operational transformation, it is essential that we optimize capital spending and ensure appropriate trade-offs in our capital allocation. However, should we fail to adequately assess investment priorities and optimal trade-offs, our business and financial results could be negatively affected.

We are exposed to various credit, liquidity and market risks

Our exposure to credit, liquidity, and market risks, including equity price, interest rate, and currency fluctuations, is discussed in section 6.5, *Financial risk management* of this MD&A and in Note 30 to BCE's 2025 consolidated financial statements.

Our sales have historically been denominated in Canadian dollars. However, as a result of the Ziply Fiber Acquisition, a portion of our revenues, assets, liabilities, and cost structure is now exposed to U.S. dollars. Consequently, an increase in the value of the Canadian dollar relative to the U.S. dollar may adversely affect our revenue and business. Selling products, providing services, or purchasing inventory or equipment in U.S. dollars could result in our exposure to foreign currency risk becoming more significant. In addition, Ziply Fiber's employees are located in the U.S.; therefore, a portion of our payroll, as well as certain other operating expenses, are paid in U.S. dollars. Our operating results are denominated in Canadian dollars, and the difference in exchange rates from one period to another may directly impact period-to-period comparisons of our operating results. Furthermore, exchange rate fluctuations may make it difficult for us to predict our operating results. We may implement hedging strategies from time to time to mitigate risks related to the impact of fluctuations in exchange rates. However, not every exposure can be hedged, and where hedges are put in place based on expected foreign exchange exposure, they are based on forecasts that may vary or which may later prove to have been inaccurate. Failure to hedge successfully or to anticipate currency risks accurately could adversely affect our operating results.

Our failure to identify and manage our exposure to changes in interest rates, foreign exchange rates, BCE's share price, and other market conditions could lead to missed opportunities, increased costs, reduced profit margins, cash flow shortages, an inability to complete planned capital expenditures, delays in our deleveraging initiatives, reputational damage, devaluation of equity and debt securities, and challenges in raising capital on market-competitive terms.

The failure to evolve practices to effectively monitor and control fraudulent activities could result in financial loss and brand degradation

As a public company with a range of desirable and valuable products and services and a large number of employees, BCE requires a disciplined program covering governance, exposure identification and assessment, prevention, detection, and reporting that considers corruption, misappropriation of assets, and intentional manipulation of financial statements by employees and/or external parties. The current global economic environment and advances in AI technologies could lead to increased fraudulent activity, resulting in financial losses and brand degradation.

Specific examples relevant to us include:

- Copyright theft and other forms of unauthorized use that undermine the exclusivity of Bell Media's content offerings, which could divert users to unlicensed or otherwise illegitimate platforms, thus impacting our ability to derive distribution and advertising revenues
- Unauthorized individuals taking over an account owner's online account without their permission in order to gain access to wireless products and goods via various means
- Subscription fraud where fraudsters use their own, a stolen, or a synthetic identity to obtain mobile devices and services with no intention to pay
- Network usage fraud, such as call/sell operations using our wireline or wireless networks, or incidents related to network components such as copper theft
- Ongoing efforts to steal the services of TV distributors, including Bell Canada and ExpressVu, through compromise or circumvention of signal security systems, causing revenue loss
- Organized criminal activities targeting and seizing high value inventory

Income and commodity tax amounts may materially differ from the expected amounts

Our complex business operations are subject to various tax laws in Canada, the U.S., and other relevant jurisdictions, as well as to related tax treaties, regulations, rules, and administrative guidance. The adoption of new tax laws, treaties, regulations, or rules thereunder, or changes thereto, or changes in their interpretation or enforcement by tax authorities, could adversely affect our tax position, including by resulting in higher tax rates, new taxes, or other adverse tax implications. In addition, while we believe that we have adequately provided for all income and commodity taxes based on all of the information that is currently available, the calculation of income taxes and the applicability of commodity taxes in many cases require significant judgment in interpreting tax rules and regulations. Our tax filings are subject to government audits that could result in material changes to the amount of current and deferred income tax assets and liabilities and other liabilities, and could, in certain circumstances, result in an assessment of interest and penalties.

A number of factors could impact our financial statements and estimates

We base our estimates on a number of factors, including but not limited to historical experience, current events, and actions that the company may undertake in the future, as well as other assumptions that we believe are reasonable under the circumstances. A change in these assumptions may have an impact on our financial statements including but not limited to impairment testing, fair value determination, expected credit losses and discount rates used for the present value of cash flows. By their nature, these estimates and judgments are subject to measurement uncertainty and actual results could differ.

The economic environment, pension rules or ineffective governance could have an adverse effect on our pension obligations, and we may be required to increase contributions to our post-employment benefit plans

With a large pension plan membership and DB pension plans that are subject to the pressures of the global economic environment and changing regulatory and reporting requirements, our pension obligations are exposed to potential volatility. Failure to recognize and manage economic exposure and pension rule changes, or to ensure that effective governance is in place for the management and funding of pension plan assets and obligations, could have an adverse impact on our liquidity and financial performance.

The funding requirements of our post-employment benefit plans, based on valuations of plan assets and obligations, depend on a number of factors, including actual returns on post-employment benefit plan assets, long-term interest rates, inflation, plan demographics (including longevity), and applicable regulations and actuarial standards. Changes in these factors, including changes caused by the current global economic environment and recent geopolitical events, could cause future contributions to significantly differ from our current estimates, require us to increase contributions to our post-employment benefit plans in the future, and, therefore, have a negative effect on our liquidity and financial performance.

There is no assurance that the assets of our post-employment benefit plans will earn their assumed rate of return. A substantial portion of our post-employment benefit plans' assets is invested in public and private equity and debt securities. As a result, the ability of our post-employment benefit plans' assets to earn the rate of return that we have assumed depends significantly on the performance of capital markets. Market conditions also impact the discount rate used to calculate our pension plan solvency obligations and could therefore also significantly affect our cash funding requirements.

The expected timing and completion of the proposed disposition of Northwestel are subject to closing conditions and other risks and uncertainties

The expected timing and completion of the proposed disposition of Northwestel are subject to closing conditions, termination rights, and other risks and uncertainties, including, without limitation, the purchaser securing financing, which may affect its completion, terms or timing. Accordingly, there can be no assurance that the proposed disposition will occur, or that it will occur on the terms and conditions, or at the time, currently contemplated. The proposed disposition could be modified, restructured, or terminated. There can also be no assurance that the potential benefits expected to result from the proposed disposition will be realized.

People

Our people

Attracting, developing and retaining a talented team capable of furthering our business strategy and operational transformation is essential to our success

Our business depends on the efforts, engagement, and expertise of our management and non-management employees and contractors, who must be able to operate efficiently and safely based on their responsibilities and working environment. Demand for highly skilled team members remains a concern, as the pace of technological advancement, retiring workers, varying levels of immigration, and an increase in remote-work arrangements, allowing for more global competition, have created an even more competitive marketplace. This underscores the importance of developing and maintaining a comprehensive and inclusive human resources strategy and employee value proposition to effectively compete for talent and to identify and secure high-performing candidates for a broad range of job functions, roles, and responsibilities. In addition, an appropriately skilled talent pool, achieved through hiring, insourcing, upskilling, and reskilling, is essential to support evolving business priorities in the context of an ongoing business transformation that is impacting job nature and required skill sets. Our objective to transform our business requires a cultural shift and the capacity to evolve, which impacts our recruitment strategy and resource deployment. We seek to have our employees adapt to new ways of working, as traditional telecommunications companies are moving toward flatter work structures, leveraging generative AI, with fewer silos and more cross-functional corporate structures. These shifts may require rapid reskilling and redeployment of employees and may increase workforce disruption risk. Failure to attract, appropriately train, motivate, remunerate, or deploy employees on initiatives that further our business strategy and operational transformation, or to efficiently replace departing employees, could adversely impact our ability to attract and retain talent and drive performance across the organization. A shortage of skilled labour could negatively affect our ability to implement our strategic priorities, as well as sell our products and services and, more generally, serve our customers.

Establishing a culture that drives inclusivity, employee engagement, development, and progression is essential to attracting and retaining talent. In addition, employees are typically more engaged at work when their values align with their employer's corporate values. We have strengthened our employee training offerings to support our transformation, and we continually seek to establish and enhance programs and provide resources to support team members on a wide range of topics, including mental health services and support.

However, failure to establish robust programs and further enhance them to achieve these aspirations could adversely affect our ability to attract and retain team members. Failure to sufficiently address evolving employee expectations related to our culture and value proposition could also adversely affect our ability to attract and retain team members.

Other examples of people-related risks include the following:

- The increasing technical and operational complexity of our businesses, combined with high market demand for skilled resources in strategic areas, creates a challenging environment for hiring, developing, and retaining such talent
- Failure to establish a complete and effective succession plan, including preparation of internal talent and identification of potential external candidates, where relevant, for senior executive and other key roles, could impair our business until qualified replacements are found
- Ensuring the health and safety of our workforce operating in different environments, including manholes, telephone poles, cell towers, vehicles, foreign news bureaus, war zones, and during pandemics or severe weather events, requires focus, effective processes, and flexibility to avoid injury, illness, service interruption, fines, and reputational impact
- Potential deterioration in employee morale and engagement resulting from staff reductions, cost reductions, or reorganizations could adversely affect our business and financial results

Challenges related to collective agreements could adversely affect our business

Approximately 39% of BCE employees were represented by unions and were covered by collective agreements as of December 31, 2025. The positive engagement of our union-represented team members is contingent on negotiating collective agreements that deliver competitive labour conditions and uninterrupted service, both of which are critical to achieving our business objectives.

We cannot predict the outcome of collective agreement negotiations. The renewal of collective agreements could result in higher labour costs and may be challenging in the context of a declining workload due to transformation, a maturing footprint, improved efficiencies, and adverse government or regulatory decisions. If, during the bargaining process, there are project delays or work disruptions, including work stoppages or slowdowns, this could adversely affect service to our customers and, in turn, our customer relationships and financial performance.

Brand reputation

Our networks | Our customers and relationships | Our products and services | Our environment | Our people

Our ability to maintain positive customer relationships is significantly influenced by our reputation

Understanding public perception is crucial for making investments in key areas such as customer experience, brand appeal, media coverage, social media, and marketing. Many customers' decisions to purchase our products and services are directly related to their perception of our company. Accordingly, our ability to maintain positive customer relationships and to acquire or retain customers is significantly influenced by our reputation. Our company faces many sources of reputational risk, as discussed in this MD&A. Should our perceived or actual outlook, plans, priorities, or actions, or those of our employees or suppliers, fail to align with stakeholders' expectations, our reputation could be impacted. This, in turn, could have an adverse effect on our brand, our ability to retain or attract customers, and, more generally, on our business, financial condition, liquidity, and financial results.

There is no assurance that we will succeed in meaningfully integrating sustainability considerations into our business strategy, operations, and governance to generate a positive outcome for stakeholders

While we seek to understand the evolving sustainability landscape and identify topics and activities that may expose us to sustainability risks, there is no assurance that we will succeed in meaningfully integrating sustainability considerations into our business strategy, operations, and governance to generate positive outcomes for stakeholders. Good sustainability practices are an important measure of corporate performance and value creation. As such, we are increasingly under scrutiny to address sustainability matters of importance to our stakeholders. A wide range of sustainability topics have progressively become important elements of corporate culture, and seeking to embrace them reinforces our value proposition to drive employee attraction and retention. Customers now factor broader considerations into purchase decisions and look for alignment between personal values and corporate behaviour. Investors increasingly link investment decisions to the quality of sustainability practices and related disclosed metrics. Moreover, we have directly linked some pricing elements in certain financing agreements to our performance on key sustainability targets. Legal and regulatory pressures have further intensified in the sustainability landscape, including, without limitation, in the areas of privacy, data governance, responsible AI, and climate change. Accordingly, failure to integrate sustainability considerations into our governance activities and effectively manage sustainability risks and opportunities could harm our brand and reputation, and lead to negative business, financial, legal, and regulatory consequences for the company. Perceived misalignment of our actions with stakeholder expectations could also harm our brand and reputation and lead to further financial and other consequences. Finally, enhanced sustainability-related disclosures could increase the company's exposure to claims for misrepresentation in the primary or secondary market.

Various factors could negatively impact our ability to achieve our sustainability targets

We have set a number of sustainability targets to monitor our sustainability performance and align with our business strategy. However, our ability to achieve these targets depends on many factors and is subject to many risks that could cause our assumptions or estimates to be inaccurate and cause actual results or events to differ materially from those expressed in, or implied by, these targets. Failure to sufficiently address evolving expectations of employees, customers, investors, and other stakeholders through the achievement of our sustainability targets could harm our brand, reputation, and competitiveness, as well as lead to other negative business, financial, legal, and regulatory consequences for the company.

Important risk factors that could affect certain of our key sustainability targets are set out below.

GHG emissions reduction and supplier engagement targets

The achievement of our science-based target related to our scope 1 and 2 GHG emissions will require that we purchase a significant quantity of RECs. To achieve this science-based target, only RECs will be considered given that the SBTi standards do not enable carbon credits to be used for this target. Should a sufficient quantity of acceptable (according to the SBTi guidelines) RECs be unavailable, should their cost of acquisition be considered too onerous, should sufficient funds be unavailable, or should laws, regulations, applicable standards, public perception or other factors limit the number of RECs that we can purchase, in whole or in part, the achievement of our science-based target related to our scope 1 and 2 GHG emissions could be negatively impacted.

Our scope 2 and 3 GHG emissions reduction targets depend on the emissions intensity originating from the electricity grid in the jurisdictions where we operate and over which we have no control. Should a significant increase in such emissions intensity be recorded in one or more jurisdictions where we conduct our operations, the achievement of our science-based targets related to our scope 2 and 3 GHG emissions could be negatively impacted.

Further, our current and proposed development of AI data centres may significantly increase our scope 1, scope 2 and scope 3 GHG emissions. While we do not yet have sufficient data to quantify the impact of our AI data centres on our GHG emissions, AI data centres are known to be energy intensive due to the nature of their operations. The jurisdiction in which future AI data centres are developed could also have an impact on our GHG emissions if, for instance, AI data centres are developed in jurisdictions with electricity grids with high emissions intensity. If the impact of our AI data centres on our GHG emissions is significant, it could adversely affect our ability to achieve our GHG emissions reduction targets.

A portion of our GHG emissions reduction targets also depends on our ability to implement sufficient corporate and business initiatives in order to reduce GHG emissions to the desired levels. Failure to implement such initiatives according to planned schedules due to changes in business plans, our inability to implement requisite operational or technological changes, unavailability of capital, technologies, equipment or employees, cost allocations, actual costs exceeding anticipated costs, or other factors, or the failure of such initiatives, including of new technologies, to generate anticipated GHG emissions reductions, could negatively affect our ability to achieve our GHG emissions reduction targets. In addition, future corporate initiatives, such as business acquisitions and business dispositions, including the previously announced pending disposition of Northwestel, as well as our acquisition of Ziply Fiber, the development of AI data centres, and organic growth, could negatively affect our ability to achieve our targets, as would the adoption of new technologies that are carbon enablers or do not generate the anticipated energy savings.

A refinement in, or modifications to, international standards or to the methodology we use for the calculation of GHG emissions that would result in an increase in our GHG emissions could further impact our ability to achieve our targets. In addition, as it relates to our science-based targets specifically, the SBTi requires the recalculation of our targets upon the occurrence of certain events, such as business acquisitions or divestitures, or to conform to evolving SBTi methodology or standards. A recalculation resulting in the introduction of more ambitious targets could challenge our ability to achieve such updated targets.

The achievement of our science-based target relating to the level of our suppliers by spend covering purchased goods and services that have adopted science-based targets could be negatively impacted should we fail to achieve the required level of engagement and collaboration from our suppliers over which we have no control, despite the engagement measures that we may implement, or should we significantly change the allocation of our spend by supplier.

In addition, we have much less influence over the reduction of our scope 3 GHG emissions than over our scope 1 and scope 2 GHG emissions given that we must rely on the engagement and collaboration of our suppliers and other participants in our value chain in reducing their own GHG emissions. Accordingly, failure to obtain our suppliers' and other participants' engagement and collaboration could adversely affect our ability to meet our scope 3 GHG emissions reduction target.

Failure to take appropriate actions to adapt to current and emerging environmental impacts, including climate change, could have an adverse effect on our business

We face risks related to environmental events, including climate-related events, which could impact our operations, service performance, reputation, business continuity, and cost and availability of insurance, and more generally have an adverse effect on our business, financial performance, and reputation. In particular, climate change poses potential risks to our business, our employees, our customers, our suppliers and outsourcers, and the communities in which we operate. Inadequate management of environmental issues associated with our company and our business, as well as those of our suppliers and other stakeholders, could also adversely affect our business, financial condition, liquidity, financial results, and reputation, given the implications for the company as well as various stakeholders.

Consistent with the International Sustainability Standards Board (ISSB) standards, we categorize climate-related risks into physical and transition risks:

- Physical risks are associated with the physical impacts from a changing climate and can either be event-driven (acute) or longer-term (chronic) shifts in climate patterns. Global scientific evidence suggests that climate change will increase both the frequency and severity of extreme weather events. This will include such events as floods, wildfires, and heatwaves, among others. These could have a destructive impact on our communications network infrastructure and facilities and, in turn, affect our ability to deliver services that are critical to our customers and society. A service disruption due to extreme weather events could lead to financial impacts, including an increase in capital expenditures from rebuilding and reinforcing infrastructure, as well as an increase in operating costs from maintenance and repairs, labour, heating and cooling, and equipment damage. Our insurance premiums could increase, or we could face reduced insurability in high-risk areas. Furthermore, this could jeopardize customer satisfaction and may result in a decrease in revenues. In addition, if average temperatures where we are 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. This will increase our energy consumption and associated operational costs. Furthermore, in order to remain resilient to these increasing or decreasing temperatures, we would need to increase our investments in our infrastructure to address its accelerated degradation, again leading to increased capital expenditures and operational costs.
- 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. These risks may include increased capital expenditures required for equipment upgrades to comply with new energy efficiency standards and climate resilience regulations; increased operational costs driven by the rising price of energy due to carbon pricing regulations; energy market volatility and the shifting supply and demand for energy; increased grid emissions intensity, which could affect our ability to meet our GHG targets; increased operational costs related to outdated equipment and e-waste treatment programs and management systems; potential shortages or price increases for materials essential to low-carbon technologies that could affect service offerings and product development; and reputational risks related to our management of climate-related issues as well as to our level of disclosure related to such matters. There is also a reputational risk of not demonstrating our proactive behaviour towards climate change, which could affect customer perception and the cost and availability of funding that has the potential to be increasingly tied to the quality of our sustainability practices and related disclosed metrics, all of which could have negative financial outcomes.

Furthermore, climate-related events could also impact our suppliers and outsourcers, which in turn could impact our business. Given that some of our third-party suppliers and outsourcers are located in foreign countries that are more at risk of experiencing weather-related events, localized natural disasters in such countries could further negatively impact our business.

In addition, several areas of our operations raise other environmental considerations, such as fuel storage, GHG emissions and energy consumption reduction, water usage and discharge, waste management, disposal of hazardous residual materials, recovery and recycling of end-of-life electronic products we sell or lease, and other network-associated impacts (e.g., treated wood poles, manhole effluents, lead cables, etc.).

Our team members, customers, investors, and governments expect that we regard environmental protection as an integral part of doing business and that we seek to minimize the negative environmental impacts of our operations and create positive impacts where possible. Failure to recognize and adequately respond to their evolving expectations, to take action to reduce our negative impacts on the environment, to achieve our environmental objectives, and to effectively report on environmental matters, could result in fines, and could harm our brand, reputation and competitiveness, as well as lead to other negative business, financial, legal, and regulatory consequences for the company.

There can be no assurance that our corporate governance practices will be sufficient to prevent violations of legal and ethical standards

Our employees, officers, BCE Board members, suppliers, agents, and other business partners are expected, in Canada, the U.S., and abroad, to comply with applicable legal and ethical standards including, without limitation, anti-bribery laws, as well as with our governance policies and contractual obligations. Failure to comply with such laws, policies, standards, and contractual obligations could expose us to investigations or litigation and significant fines and penalties, and result in reputational harm or disqualification from bidding on contracts. While we have developed and implemented corporate governance practices, including through our Code of Business Conduct, which is updated regularly and subject to an annual review by team members, there can be no assurance that such practices and measures will be sufficient to prevent violations of legal and ethical standards. Any such failure or violation could have an adverse effect on our business, financial performance, and reputation.

Various social issues, if not adequately managed, could have an adverse effect on our business

Effective management of social risk is a component of good sustainability practices. Inadequate management of social issues associated with our company and our business, as well as those of our suppliers and other stakeholders, could adversely affect our business, financial condition, liquidity, financial results, and reputation. This may include social issues discussed elsewhere in this MD&A, such as employees' well-being, health and safety, social licence to operate AI data centres, responsible procurement, as well as other social issues such as human rights, including Indigenous peoples' rights, consultation and accommodation, and community acceptance and engagement. Failure to sufficiently address and report on our management of social issues, and to achieve our social objectives could harm our brand and reputation, and could lead to negative business, financial, legal, and regulatory consequences for the company.

Health risks, including pandemics, epidemics, and other health concerns, such as radiofrequency emissions from wireless communications devices and equipment, could have an adverse effect on our business

Health risks, including pandemics and epidemics, could occur, any of which could adversely affect our ability to maintain operational networks and provide products and services to our customers, as well as the ability of our suppliers to provide us with the products and services we need to operate our business. Any such pandemics, epidemics and other health risks could have an adverse effect on the economy and financial markets, causing retail and commercial activity to decline, which could have a negative impact on the demand for, and prices of, our products and services.

Many studies have been performed or are ongoing to assess whether mobile communications devices, such as smartphones, as well as wireless networks and towers, pose a potential health risk. While some studies suggest links to certain conditions, others conclude there is no established causation between mobile phone usage and adverse health effects. The International Agency for Research on Cancer (IARC) of the World Health Organization classified radiofrequency electromagnetic fields from wireless phones as possibly carcinogenic to humans, but also indicated that chance, bias, or confounding could not be ruled out with reasonable confidence. The IARC also called for additional research into long-term heavy use of mobile phones.

ISED is responsible for approving radiofrequency equipment and performing compliance assessments, and has chosen Health Canada's Safety Code 6, which sets the limits for safe exposure to radiofrequency emissions at home or at work, as its exposure standard. This code also outlines safety requirements for the installation and operation of devices that emit radiofrequency fields, such as mobile communications devices, Wi-Fi technologies, and base station antennas. ISED has made compliance with Safety Code 6 mandatory for all proponents and operators of radio installations.

The following challenges, among others, could arise since our business is heavily dependent on radiofrequency technologies: we may face lawsuits relating to alleged adverse health effects on customers, as well as relating to our marketing and disclosure practices in connection therewith, and the likely outcome of such potential lawsuits is unpredictable and could change over time; changes in scientific evidence and/or public perceptions could lead to additional government regulations and costs for retrofitting infrastructure and handsets to achieve compliance; and public concerns could result in a slower deployment of, or in our inability to deploy, infrastructure necessary to maintain and/or expand our wireless network as required by market evolution. Any of these events could have an adverse effect on our business and financial performance.

Third-party vendor management

We depend on third-party suppliers, outsourcers and consultants, some of which are critical, to provide an uninterrupted supply of the products and services we need, as well as comply with various obligations

We depend on key third-party suppliers and outsourcers, over which we have no operational or financial control, for products and services, some of which are critical to our operations. If there are gaps in our vendor selection, governance, or oversight processes established to seek to ensure full risk transparency at point of purchase and throughout the relationship, including any contract renegotiations, there is the potential for a breakdown in supply, which could impact our ability to make sales, service customers, and achieve our business and financial objectives. In addition, any such gap could result in suboptimal management of our vendor base, increased costs, and missed opportunities. Ongoing relationships must also be adequately managed in order to address existing and new operational and compliance requirements. Some of our third-party suppliers and outsourcers are located in foreign countries, which increases the potential for a breakdown in supply due to the risks of operating in foreign jurisdictions with different laws, geopolitical environments, and cultures, as well as the potential for localized natural disasters. Concerns related to geopolitical events, such as conflicts, could put pressure on our supply chain and require increased focus on supply chain diversification to support continuity.

Increased market concentration among technology, equipment, software, cloud, and content suppliers may heighten single- or limited-source dependency risks and reduce negotiating leverage.

We may have to select different third-party suppliers for equipment or other products and services, or different outsourcers, in order to meet evolving internal company policies and guidelines, as well as legal and regulatory requirements. Should we decide, or be required by a governmental authority or otherwise, to terminate our relationship with an existing supplier or outsourcer, this would decrease the number of available suppliers or outsourcers and could result in significantly increased costs, as well as transitional, support, service, quality, or continuity issues; delay our ability to deploy new network and other technologies and offer new products and services; and adversely affect our business and financial results.

The use of third-party suppliers and the outsourcing of services generally involve transfer of risks, and we must take appropriate steps to ensure that our suppliers' and outsourcers' approach to risk management is aligned with our own standards in order to maintain continuity of supply and brand strength. Increased focus on supplier risks in areas such as security, data and AI governance, privacy, responsible procurement and broader sustainability factors requires increased attention given that supplier actions or omissions could have significant impacts on our business, financial results, brand, and reputation. Furthermore, cloud-based supplier models have continued to evolve and grow and, while they offer many potential benefits, cloud-based services can also change the level or types of risks. Accordingly, our procurement and vendor management practices must also continue to evolve to fully take into account the potential risks of cloud-based services.

In addition, certain company initiatives rely heavily on professional consulting services provided by third parties, and a failure of such third-party services may not be reasonably evident until their work is delivered or delayed. Difficulties in implementing remedial strategies in respect of professional consulting services provided by third parties that are not performed in a proper or timely fashion could have an adverse effect on our ability to comply with various obligations, including applicable legal and accounting requirements.

Other examples of risks associated with third-party suppliers and outsourcers include the following:

- We rely upon the successful implementation and execution of business continuity plans by our product and service suppliers. To the extent that such plans do not successfully mitigate the impacts of the current global economic environment, geopolitical events, or other events, and our suppliers or vendors experience operational failures or inventory constraints, such failures or constraints could result in, or amplify existing, supply chain disruptions that could adversely affect our business. Incremental costs, delays, or unavailability of equipment, materials, products, or services, as well as unavailability of our suppliers' or contractors' employees due to strikes, workforce reduction initiatives, or other factors, could impact sales and execution of our business strategy and adversely affect our business and financial results.
- The current global economic environment and recent geopolitical events have given rise to inflationary pressures and sharp increases in prices, including the imposition of tariffs on certain products by some countries, which could further increase pressure on the global supply chain and purchasing costs
- Demand for products and services available from only a limited number of suppliers, some of which dominate their global market, may lead to decreased availability, increased costs, or delays in the delivery of such products and services, since suppliers may choose to favour global competitors that are larger than we are and, accordingly, purchase a larger volume of products and services. In addition, production issues or geopolitical events affecting any such suppliers, or other suppliers, could result in decreased quantities or a total lack of supply of products or services. Any of these events could adversely impact our ability to meet customer commitments and demand.
- Dependence on vendors that are new to evolving technology can create uncertainties and challenges due to an unproven track record and lack of alternate vendors, which could have an adverse effect on our operations
- The cost of our transformation initiatives, due to significant legacy networks, IT systems, and a historical reliance on outsourced IT, could have an adverse effect on our financial results
- Overreliance on, or insufficient visibility into, our third-party IT vendor relationships may expose us to operational IT risks, such as service disruptions and security vulnerabilities. Furthermore, unknown dependencies on third-party vendors can amplify these risks. Failure to adequately monitor and manage our direct and indirect IT vendor relationships could adversely affect our operations, data security, and overall business performance.
- The increased use of AI by our third-party vendors may further elevate our exposure to business, reputational, and compliance risks
- The insolvency of one or more of our suppliers could cause a breakdown in supply and have an adverse effect on our operations, including our ability to make sales or service customers, as well as on our financial results
- A suboptimal outsourcing model could result in the loss of key corporate knowledge, reduced efficiency and effectiveness, and impede the agile delivery of new products or technology
- Cloud-based solutions may increase the risk of security and data leakage exposure if security control protocols and configurations implemented by our cloud-based partners or suppliers, or by us where we retain responsibility for such protocols, are inadequate
- If existing suppliers do not have appropriate alternative cloud-based products or services, our ability to complete desired migrations to the cloud could be limited or delayed
- Failure to maintain strong discipline around vendor administration (especially around initial account setup) may mask potential financial or operational risks and complicate future problem resolutions
- If products and services important to our operations have manufacturing defects or do not comply with applicable government regulations and standards (including product safety practices), our ability to sell products and provide services on a timely basis may be negatively impacted. We work with our suppliers to seek to identify serious product defects (including safety incidents) and develop appropriate remedial strategies, which may include a recall of products. To the extent that a supplier does not actively participate in, and/or bear primary financial responsibility for, a recall of its products, our ability to perform such recall programs at a reasonable cost and/or in a timely fashion may be negatively impacted. Any of the events referred to above could have an adverse effect on our business, reputation, and financial results.
- Products (including software) and services supplied to us may contain security issues including, but not limited to, latent security issues that would not be apparent upon an inspection. Should we or a supplier fail to correct a security issue in a timely fashion, there could be an adverse effect on our business, reputation, and financial results.
- We rely on other telecommunications carriers from time to time to deliver services. Should these carriers fail to roll out new networks or fail to upgrade existing networks, or should their networks be affected by operational failures or service interruptions, such issues could adversely affect our ability to provide services using such carriers' networks and could, consequently, have an adverse effect on our business, reputation, and financial results.
- BCE depends on call centre and technical support services provided by a number of external suppliers and outsourcers, some of which are located in foreign countries. These vendors have access to customer and internal BCE information necessary for the support services that they provide. Information access and service delivery issues that are not managed appropriately may have an adverse impact on our business, reputation, the quality and speed of services provided to customers, or our ability to address technical issues.

10 Accounting policies

This section discusses key estimates and assumptions that management has made and how they affect the amounts reported in the financial statements and notes. It also describes key changes in accounting standards and our accounting policies, and how they affect our financial statements.

We have prepared our consolidated financial statements using IFRS Accounting Standards. Other significant accounting policies, not involving the same level of measurement uncertainty as those discussed in this section, are nevertheless important to an understanding of our financial statements. See Note 2, *Material accounting policies*, in BCE's 2025 consolidated financial statements for more information about the accounting principles we used to prepare our consolidated financial statements.

Critical accounting estimates and key judgments

When preparing the financial statements, management makes estimates and judgments relating to:

- reported amounts of revenues and expenses
- reported amounts of assets and liabilities
- disclosure of contingent assets and liabilities

We base our estimates on a number of factors, including but not limited to historical experience, current events, economic and financial market conditions such as interest rates, inflation and the risk of recession, geopolitical events and supply chain disruptions, and actions that the company may undertake in the future, as well as other assumptions that we believe are reasonable under the circumstances. A change in these assumptions may have an impact on our financial statements including but not limited to impairment testing, fair value determination, expected credit losses and discount rates used for the present value of cash flows. By their nature, these estimates and judgments are subject to measurement uncertainty and actual results could differ.

We consider the estimates and judgments described in this section to be an important part of understanding our financial statements because they require management to make assumptions about matters that were highly uncertain at the time the estimates and judgments were made, and changes to these estimates and judgments could have a material impact on our financial statements and our segments.

Our senior management has reviewed the development and selection of the critical accounting estimates and judgments described in this section with the Audit Committee of the BCE Board.

Any sensitivity analysis included in this section should be used with caution as the changes are hypothetical and the impact of changes in each key assumption may not be linear.

Our more significant estimates and judgments are described below.

Estimates

Useful lives of property, plant and equipment and finite-life intangible assets

We review our estimates of the useful lives of property, plant and equipment and finite-life intangible assets on an annual basis and adjust depreciation or amortization on a prospective basis, as required.

Property, plant and equipment and finite-life intangible assets represent a significant proportion of our total assets. Changes in technology or our intended use of these assets, climate change and our sustainability initiatives as well as changes in business prospects or economic and industry factors, may cause the estimated useful lives of these assets to change.

The estimated useful lives of property, plant and equipment and finite-life intangible assets are determined by internal asset life studies, which take into account actual and expected future usage, physical wear and tear, replacement history and assumptions about technology evolution. When factors indicate that assets' useful lives are different from the prior assessment, we depreciate or amortize the remaining carrying value prospectively over the adjusted estimated useful lives.

Business acquisitions

We use various estimates, including replacement costs, customer churn and discount rates, in determining the fair value assigned to assets acquired and liabilities assumed in business acquisitions, in particular for property, plant and equipment and intangible assets.

Post-employment benefit plans

The amounts reported in the financial statements relating to DB pension plans and OPEBs are determined using actuarial calculations that are based on several assumptions.

Our actuaries perform a valuation at least every three years to determine the actuarial present value of the accrued DB pension plan and OPEB obligations. The actuarial valuation uses management's assumptions for, among other things, the discount rate, life expectancy, the rate of compensation increase, cost of living indexation rate, trends in healthcare costs and expected average remaining years of service of employees.

While we believe that these assumptions are reasonable, differences in actual results or changes in assumptions could materially affect post-employment benefit obligations and future net post-employment benefit plans cost.

We account for differences between actual and expected results in benefit obligations and plan performance in OCI, which are then recognized immediately in the deficit.

The most significant assumptions used to calculate the net post-employment benefit plans cost are the discount rate and life expectancy.

A discount rate is used to determine the present value of the future cash flows that we expect will be needed to settle post-employment benefit obligations.

The discount rate is based on the yield on long-term, high-quality corporate fixed income investments, with maturities matching the estimated cash flows of the post-employment benefit plans. Life expectancy is based on publicly available Canadian mortality tables and is adjusted for the company's specific experience.

A lower discount rate and a higher life expectancy result in a higher net post-employment benefit obligation and a higher current service cost.

Sensitivity analysis

The following table shows a sensitivity analysis of key assumptions used to measure the net post-employment benefit obligations and the net post-employment benefit plans cost for our DB pension plans and OPEB plans.

		Impact on net post-employment benefit plans cost for 2025 – increase (decrease)		Impact on post-employment benefit obligations at December 31, 2025 – increase (decrease)	
	Change in assumption	Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption
Discount rate	0.5%	(79)	76	(1,026)	1,102
Cost of living indexation rate	0.5%	54	(42)	997	(800)
Life expectancy at age 65	1 year	41	(40)	782	(782)

Revenue from contracts with customers

We are required to make estimates that affect the amount of revenue from contracts with customers, including estimating the stand-alone selling prices of products and services.

For bundled arrangements, we account for individual products and services when they are separately identifiable and the customer can benefit from the product or service on its own or with other readily available resources. The total arrangement consideration is allocated to each product or service included in the contract with the customer based on its stand-alone selling price. We generally determine stand-alone selling prices based on the observable prices at which we sell products separately without a service contract and prices for non-bundled service offers with the same range of services, adjusted for market conditions and other factors, as appropriate. When similar products and services are not sold separately, we use the expected cost plus margin approach to determine stand-alone selling prices. Products and services purchased by a customer in excess of those included in the bundled arrangement are accounted for separately.

Impairment of non-financial assets

Goodwill and indefinite-life intangible assets are tested for impairment annually and when there is an indication that the asset may be impaired. Property, plant and equipment and finite-life intangible assets are tested for impairment if events or changes in circumstances, assessed at each reporting period, indicate that their carrying amount may not be recoverable. For the purpose of impairment testing, assets other than goodwill are grouped at the lowest level for which there are separately identifiable cash inflows.

Impairment losses are recognized and measured as the excess of the carrying value of the assets over their recoverable amount. An asset's recoverable amount is the higher of its fair value less costs of disposal and its value in use. Previously recognized impairment losses, other than those attributable to goodwill, are reviewed for possible reversal at each reporting date and, if the asset's recoverable amount has increased, all or a portion of the impairment is reversed.

We make a number of estimates when calculating recoverable amounts using discounted future cash flows or other valuation methods to test for impairment. These estimates include the assumed growth rates for future cash flows, the number of years used in the cash flow model and the discount rate. When impairment charges occur they are recorded in *Impairment of assets*.

During the third quarter of 2025, we recognized $976 million of impairment charges for English and French TV services, radio markets and our OOH advertising business within our Bell Media segment. These charges included $554 million allocated to indefinite-life intangible assets for broadcast licences, spectrum and other licences and brands, $250 million allocated to program and feature film rights, $103 million allocated to property, plant and equipment for network, infrastructure and equipment and assets under construction, $47 million allocated to software, $18 million allocated to prepaid expenses and inventory, and $4 million allocated to finite-life intangible assets mainly for trademarks. The impairment was determined by comparing the carrying value of the CGUs to their fair value less cost of disposal. We estimated the fair value of the CGUs using discounted cash flows and market-based valuation models, which include five-year cash flow projections derived from business plans reviewed by senior management for the period of September 1, 2025 to December 31, 2030, using discount rates of 9% to 11% and perpetuity growth rates of (2%) to 2%, as well as market multiple data from public companies and market transactions. A negative change to any of these assumptions and projections may result in further impairment charges for certain groups of CGUs. After impairments, the carrying value of the impacted CGUs was $352 million.

We recorded $51 million of additional impairment charges in 2025 related to various assets within our Bell CTS Canada segment.

During the third quarter of 2024, we recognized $958 million of impairment charges for English and French TV services and radio markets within our Bell Media segment. These charges included $627 million allocated to indefinite-life intangible assets for broadcast licences and brands, $144 million allocated to program and feature film rights, $85 million allocated to property, plant and equipment for network and infrastructure and equipment, $85 million allocated to software, $10 million allocated to finite-life intangible assets mainly for trademarks, and $7 million allocated to prepaid expenses. The impairment was determined by comparing the carrying value of the CGUs to their fair value less cost of disposal. We estimated the fair value of the CGUs using both discounted cash flows and market-based valuation models, which include five-year cash flow projections derived from business plans reviewed by senior management for the period of September 1, 2024 to December 31, 2029, using discount rates of 9% to 11% and perpetuity growth rates of (2%) to 0%, as well as market multiple data from public companies and market transactions. After impairments, the carrying value of the impacted CGUs was $811 million.

Additionally in 2024, we recorded impairment charges of $100 million related mainly to right-of-use assets for certain office spaces we ceased using as part of our real estate optimization strategy as a result of our hybrid work policy.

Goodwill impairment testing

We perform an annual test for goodwill impairment in the fourth quarter for each of our CGUs or groups of CGUs to which goodwill is allocated, and whenever there is an indication that goodwill might be impaired.

A CGU is the smallest identifiable group of assets that generates cash inflows that are independent of the cash inflows from other assets or groups of assets.

We identify any potential impairment by comparing the carrying value of a CGU or group of CGUs to its recoverable amount. The recoverable amount of a CGU or group of CGUs is the higher of its fair value less costs of disposal and its value in use. Both fair value less costs of disposal and value in use are based on estimates of discounted future cash flows or other valuation methods. Cash flows are projected based on past experience, actual operating results and business plans, including any impact from changes in interest rates and inflation. We recognize an impairment charge in the income statements by reducing the carrying value of goodwill when the recoverable amount of a CGU or group of CGUs to which goodwill is allocated is less than its carrying value. Any impairment charge in excess of the carrying value of the related goodwill reduces the carrying value of each of the other assets of the corresponding CGU or groups of CGUs on a pro rata basis, not below the recoverable amount of each asset.

For purposes of impairment testing of goodwill, our CGUs or groups of CGUs correspond to our reporting segments as disclosed in Note 3, *Segmented information*, in BCE's 2025 consolidated financial statements.

Any significant change in each of the estimates used could have a material impact on the calculation of the recoverable amount and resulting impairment charge. As a result, we are unable to reasonably quantify the changes in our overall financial performance if we had used different assumptions.

We cannot predict whether an event that triggers impairment will occur, when it will occur or how it will affect the asset values we have reported.

We believe that any reasonable possible change in the key assumptions on which the estimate of recoverable amount of the Bell CTS Canada group of CGUs is based would not cause its carrying amount to exceed its recoverable amount.

For the Bell CTS U.S. group of CGUs, a decrease of 1.2% in the perpetuity growth rate or an increase of 1.0% in the discount rate would have resulted in its recoverable amount being equal to its carrying value.

For the Bell Media group of CGUs, a decrease of 2.1% in the perpetuity growth rate or an increase of 1.2% in the discount rate would have resulted in its recoverable amount being equal to its carrying value.

There were no goodwill impairment charges in 2025.

In Q3 2024, due to a continued decline in advertising demand and spending in the linear advertising market for Bell Media TV services and radio markets, there was an indicator that goodwill might be impaired for the Bell Media group of CGUs. Consequently, an impairment charge of $1,132 million was recognized in *Impairment of assets* in the income statements.

Deferred taxes

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply when the asset or liability is recovered or settled. Both our current and deferred tax assets and liabilities are calculated using tax rates that have been enacted or substantively enacted at the reporting date.

Deferred taxes are provided on temporary differences arising from investments in subsidiaries, joint arrangements and associates, except where we control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The amounts of deferred tax assets and liabilities are estimated with consideration given to the timing, sources and amounts of future taxable income.

As required by IFRS Accounting Standards, we do not recognize or disclose information about deferred tax assets and liabilities related to the Pillar Two model rules published by the Organisation for Economic Co-operation and Development, including tax law that implements qualified domestic minimum top-up taxes described in those rules.

Leases

The application of IFRS 16 requires us to make estimates that affect the measurement of right-of-use assets and liabilities, including determining the appropriate discount rate used to measure lease liabilities. Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using our incremental borrowing rate, unless the rate implicit in the lease is readily determinable. Our incremental borrowing rate is derived from publicly available risk-free interest rates, adjusted for applicable credit spreads and lease terms. We apply a single incremental borrowing rate to a portfolio of leases with similar characteristics.

Fair value of financial instruments

Certain financial instruments, such as investments in equity securities, derivative financial instruments and certain elements of borrowings, are carried in the statements of financial position at fair value, with changes in fair value reflected in the income statements and the statements of comprehensive income. Fair values are estimated by reference to published price quotations or by using other valuation techniques that may include inputs that are not based on observable market data, such as discounted cash flows and earnings multiples.

Contingencies

In the ordinary course of business, we become involved in various claims and legal proceedings seeking monetary damages and other relief. Pending claims and legal proceedings represent a potential cost to our business. We estimate the amount of a loss by analyzing potential outcomes and assuming various litigation and settlement strategies, based on information that is available at the time.

If the final resolution of a legal or regulatory matter results in a judgment against us or requires us to pay a large settlement, it could have a material adverse effect on our consolidated financial statements in the period in which the judgment or settlement occurs.

Onerous contracts

A provision for onerous contracts is recognized when the unavoidable costs of meeting our obligations under a contract exceed the expected benefits to be received under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of completing the contract.

Judgments

Post-employment benefit plans

The determination of the discount rate used to value our post-employment benefit obligations requires judgment. The rate is set by reference to market yields of long-term, high-quality corporate fixed income investments at the beginning of each fiscal year. Significant judgment is required when setting the criteria for fixed income investments to be included in the population from which the yield curve is derived. The most significant criteria considered for the selection of investments include the size of the issue and credit quality, along with the identification of outliers, which are excluded.

Income taxes

The calculation of income taxes requires judgment in interpreting tax rules and regulations. There are transactions and calculations for which the ultimate tax determination is uncertain. Our tax filings are also subject to audits, the outcome of which could change the amount of current and deferred tax assets and liabilities. Management believes that it has sufficient amounts accrued for outstanding tax matters based on information that is currently available.

Management judgment is used to determine the amounts of deferred tax assets and liabilities to be recognized. In particular, judgment is required when assessing the timing of the reversal of temporary differences to which future income tax rates are applied.

Leases

The application of IFRS 16 requires us to make judgments that affect the measurement of right-of-use assets and liabilities. A lease contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception of the contract, we assess whether the contract contains an identified asset, whether we have the right to obtain substantially all of the economic benefits from use of the asset and whether we have the right to direct how and for what purpose the asset is used. In determining the lease term, we include periods covered by renewal options when we are reasonably certain to exercise those options. Similarly, we include periods covered by termination options when we are reasonably certain not to exercise those options. To assess if we are reasonably certain to exercise an option, we consider all facts and circumstances that create an economic incentive to exercise renewal options (or not exercise termination options). Economic incentives include the costs related to the termination of the lease, the significance of any leasehold improvements and the importance of the underlying assets to our operations.

Revenue from contracts with customers

The identification of performance obligations within a contract and the timing of satisfaction of performance obligations under long-term contracts requires judgment. For bundled arrangements, we account for individual products and services when they are separately identifiable and the customer can benefit from the product or service on its own or with other readily available resources. When our right to consideration from a customer corresponds directly with the value to the customer of the products and services transferred to date, we recognize revenue in the amount to which we have a right to invoice. We recognize product revenues from the sale of wireless handsets and devices and wireline equipment when a customer takes possession of the product. We recognize service revenues over time, as the services are provided. Revenues on certain long-term contracts are recognized using output methods based on products delivered, performance completed to date, time elapsed or milestones met.

Additionally, the determination of costs to obtain a contract, including the identification of incremental costs, also requires judgment. Incremental costs of obtaining a contract with a customer, principally comprised of sales commissions, and prepaid contract fulfillment costs are included in *Contract costs* in the statements of financial position, except where the amortization period is one year or less, in which case costs of obtaining a contract are immediately expensed. Capitalized costs are amortized on a systematic basis that is consistent with the period and pattern of transfer to the customer of the related products or services.

CGUs

The determination of CGUs or groups of CGUs for the purpose of impairment testing requires judgment.

Contingencies

The determination of whether a loss is probable from claims and legal proceedings and whether an outflow of resources is likely requires judgment.

We accrue a potential loss if we believe a loss is probable and an outflow of resources is likely and can be reasonably estimated, based on information that is available at the time. Any accrual would be charged to earnings and included in *Trade payables and other liabilities* or *Other non-current liabilities*. Any payment as a result of a judgment or cash settlement would be deducted from cash from operating activities. We estimate the amount of a loss by analyzing potential outcomes and assuming various litigation and settlement strategies.

Future changes to accounting standards

The following accounting standard and amendments to accounting standards issued by the IASB have not yet been adopted by BCE.

Standard	Description	Impact	Effective date
IFRS 18 – *Presentation and Disclosure in Financial Statements*	Sets out requirements and guidance on presentation and disclosure in financial statements, including: • presentation in the income statements of income and expenses within defined categories – operating, investing, financing, income taxes and discontinued operations • presentation in the income statements of new defined subtotals – operating profit and profit before financing and income taxes • disclosure of explanations of management-defined performance measures that are related to the income statements • enhanced guidance on aggregation and disaggregation of information and whether to provide information in the financial statements or in the notes • disclosure of specified expenses by nature IFRS 18 replaces IAS 1 – *Presentation of Financial Statements* but carries forward many of the requirements from IAS 1 unchanged.	We are currently assessing the impact of this standard.	Annual reporting periods beginning on or after January 1, 2027. Early application is permitted.
Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	In particular, the amendments clarify: • the classification of financial assets with environmental, social and corporate governance and similar features • the derecognition date for financial liabilities and introduce an accounting policy option for financial liabilities settled using an electronic payment system if certain conditions are met The amendments also require additional disclosures for financial instruments with contractual terms that reference a contingent event and equity instruments classified at fair value through OCI.	These amendments will not have a significant impact on our financial statements.	Annual reporting periods beginning on or after January 1, 2026.

11 Non-GAAP financial measures, other financial measures and key performance indicators (KPIs)

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

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

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

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

11.1 Non-GAAP financial measures

A non-GAAP financial measure is a financial measure used to depict our historical or expected future financial performance, financial position or cash flow and, with respect to its composition, either excludes an amount that is included in, or includes an amount that is excluded from, the composition of the most directly comparable financial measure disclosed in BCE's consolidated primary financial statements.

We believe that non-GAAP financial measures are reflective of our ongoing operating results and provide readers with an understanding of management's perspective on and analysis of our performance.

Below are descriptions of the non-GAAP financial measures that we use to explain our results as well as reconciliations to the most directly comparable financial measures under IFRS Accounting Standards.

Adjusted net earnings

The term adjusted net earnings does not have any standardized meaning under IFRS Accounting Standards. Therefore, it is unlikely to be comparable to similar measures presented by other issuers.

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

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

The most directly comparable financial measure under IFRS Accounting Standards is net earnings (loss) attributable to common shareholders.

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

	Q4 2025	Q4 2024	**2025**	2024
Net earnings attributable to common shareholders	**594**	461	**6,305**	163
Reconciling items:				
Severance, acquisition and other costs	**147**	154	**517**	454
Net mark-to-market (gains) losses on derivatives used to economically hedge equity settled share-based compensation plans	**(2)**	198	**9**	269
Net equity losses on investments in associates and joint ventures	**–**	–	**–**	247
Net (gains) losses on investments	**(52)**	1	**(5,217)**	(57)
Net early debt redemption gains	**(46)**	–	**(249)**	–
Impairment of assets	**40**	4	**1,027**	2,190
Income taxes for the above reconciling items	**(38)**	(99)	**217**	(467)
NCI for the above reconciling items	**–**	–	**(8)**	(26)
Adjusted net earnings	**643**	719	**2,601**	2,773

Available liquidity

The term available liquidity does not have any standardized meaning under IFRS Accounting Standards. Therefore, it is unlikely to be comparable to similar measures presented by other issuers.

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

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

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

	December 31, 2025	December 31, 2024
Cash	**314**	1,572
Cash equivalents	**6**	–
Short-term investments	**–**	400
Amounts available under our securitized receivables program (1)	**700**	700
Amounts available under our committed bank credit facilities (2)	**1,450**	1,810
Available liquidity	**2,470**	4,482

(1) At December 31, 2025 and December 31, 2024, $700 million was available under our securitized receivables program, under which we borrowed $1,163 million in U.S. dollars ($1,594 million in Canadian dollars) and $1,112 million in U.S. dollars ($1,600 million in Canadian dollars) as at December 31, 2025 and December 31, 2024, respectively. Loans secured by receivables are included in *Debt due within one year* in our consolidated financial statements.

(2) At December 31, 2025 and December 31, 2024, respectively, $1,450 million and $1,810 million were available under our committed bank credit facilities, given outstanding commercial paper of $1,861 million in U.S. dollars ($2,550 million in Canadian dollars) and $1,522 million in U.S. dollars ($2,190 million in Canadian dollars) as at December 31, 2025 and December 31, 2024, respectively. Commercial paper outstanding is included in *Debt due within one year* in our consolidated financial statements

Free cash flow, free cash flow after payment of lease liabilities and excess free cash flow

The terms free cash flow, free cash flow after payment of lease liabilities and excess free cash flow do not have any standardized meaning under IFRS Accounting Standards. Therefore, they are unlikely to be comparable to similar measures presented by other issuers.

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

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

We define excess free cash flow as free cash flow less dividends paid on common shares.

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

In Q1 2026, we will update our definitions of free cash flow, free cash flow after payment of lease liabilities and excess free cash flow to exclude income taxes paid on significant divestitures included within cash flows from operating activities. This change does not impact the amounts for free cash flow, free cash flow after payment of lease liabilities and excess free cash flow previously presented. We exclude this item as it could affect the comparability of our financial results and potentially distort the analysis of trends in business performance. Excluding this item does not imply it is non-recurring.

The following tables provide reconciliations of cash flows from operating activities to free cash flow, free cash flow after payment of lease liabilities and excess free cash flow on a consolidated basis.

	2025	Q4 2025	Q3 2025	Q2 2025	Q1 2025
Cash flows from operating activities	**6,993**	**1,561**	**1,914**	**1,947**	**1,571**
Capital expenditures	**(3,700)**	**(1,317)**	**(891)**	**(763)**	**(729)**
Cash dividends paid on preferred shares	**(151)**	**(46)**	**(28)**	**(38)**	**(39)**
Cash dividends paid by subsidiaries to NCI	**(51)**	**(13)**	**(25)**	**–**	**(13)**
Acquisition and other costs paid	**87**	**40**	**33**	**6**	**8**
Free cash flow	**3,178**	**225**	**1,003**	**1,152**	**798**
Principal payment of lease liabilities	**(1,127)**	**(248)**	**(297)**	**(278)**	**(304)**
Free cash flow after payment of lease liabilities	**2,051**	**(23)**	**706**	**874**	**494**

	2024	Q4 2024	Q3 2024	Q2 2024	Q1 2024	2023
Cash flows from operating activities	6,988	1,877	1,842	2,137	1,132	7,946
Capital expenditures	(3,897)	(963)	(954)	(978)	(1,002)	(4,581)
Cash dividends paid on preferred shares	(187)	(53)	(43)	(45)	(46)	(182)
Cash dividends paid by subsidiaries to NCI	(68)	(12)	(14)	(28)	(14)	(47)
Acquisition and other costs paid	52	25	1	11	15	8
Free cash flow	2,888	874	832	1,097	85	3,144
Principal payment of lease liabilities	(1,142)	(270)	(305)	(270)	(297)	(1,049)
Free cash flow after payment of lease liabilities	1,746	604	527	827	(212)	2,095

	2025	Q4 2025	Q3 2025	Q2 2025	Q1 2025
Cash flows from operating activities	**6,993**	**1,561**	**1,914**	**1,947**	**1,571**
Capital expenditures	**(3,700)**	**(1,317)**	**(891)**	**(763)**	**(729)**
Cash dividends paid on preferred shares	**(151)**	**(46)**	**(28)**	**(38)**	**(39)**
Cash dividends paid by subsidiaries to NCI	**(51)**	**(13)**	**(25)**	**–**	**(13)**
Acquisition and other costs paid	**87**	**40**	**33**	**6**	**8**
Free cash flow	**3,178**	**225**	**1,003**	**1,152**	**798**
Dividends paid on common shares	**(2,026)**	**(408)**	**(408)**	**(608)**	**(602)**
Excess free cash flow	**1,152**	**(183)**	**595**	**544**	**196**

	2024	Q4 2024	Q3 2024	Q2 2024	Q1 2024	2023
Cash flows from operating activities	6,988	1,877	1,842	2,137	1,132	7,946
Capital expenditures	(3,897)	(963)	(954)	(978)	(1,002)	(4,581)
Cash dividends paid on preferred shares	(187)	(53)	(43)	(45)	(46)	(182)
Cash dividends paid by subsidiaries to NCI	(68)	(12)	(14)	(28)	(14)	(47)
Acquisition and other costs paid	52	25	1	11	15	8
Free cash flow	2,888	874	832	1,097	85	3,144
Dividends paid on common shares	(3,613)	(910)	(910)	(910)	(883)	(3,486)
Excess free cash flow	(725)	(36)	(78)	187	(798)	(342)

Net debt

The term net debt does not have any standardized meaning under IFRS Accounting Standards. Therefore, it is unlikely to be comparable to similar measures presented by other issuers.

We define net debt as debt due within one year plus long-term debt and 50% of outstanding preferred shares, less 50% of junior subordinated debt included within long-term debt, and less cash, cash equivalents and short-term investments, as shown in BCE's consolidated statements of financial position.

In Q1 2025, we updated our definition of net debt to include 50% of junior subordinated debt. This change does not impact the net debt amounts previously presented. We include 50% of outstanding preferred shares and 50% of junior subordinated debt in our net debt as it is consistent with the treatment by certain credit rating agencies and given structural features including priority of payments.

We, and certain investors and analysts, consider net debt to be an important indicator of the company's financial leverage.

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

	December 31, 2025	December 31, 2024
Long-term debt	**34,904**	32,835
Less: 50% of junior subordinated debt	**(2,149)**	–
Debt due within one year	**6,155**	7,669
50% of preferred shares	**1,644**	1,767
Cash	**(314)**	(1,572)
Cash equivalents	**(6)**	–
Short-term investments	**–**	(400)
Net debt	**40,234**	40,299

11.2 Non-GAAP ratios

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

Adjusted EPS

The term adjusted EPS does not have any standardized meaning under IFRS Accounting Standards. Therefore, it is unlikely to be comparable to similar measures presented by other issuers.

We define adjusted EPS as adjusted net earnings per BCE common share. Adjusted net earnings is a non-GAAP financial measure. For further details on adjusted net earnings, see section 11.1, *Non-GAAP financial measures.*

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

Dividend payout ratio and dividend payout ratio after payment of lease liabilities

The terms dividend payout ratio and dividend payout ratio after payment of lease liabilities do not have any standardized meaning under IFRS Accounting Standards. Therefore, they are unlikely to be comparable to similar measures presented by other issuers.

We define dividend payout ratio as dividends paid on common shares divided by free cash flow. We define dividend payout ratio after payment of lease liabilities as dividends paid on common shares divided by free cash flow after payment of lease liabilities. Free cash flow and free cash flow after payment of lease liabilities are non-GAAP financial measures. For further details on free cash flow and free cash flow after payment of lease liabilities, see section 11.1, *Non-GAAP financial measures*.

We consider dividend payout ratio and dividend payout ratio after payment of lease liabilities to be important indicators of the financial strength and performance of our businesses because they show the sustainability of the company's dividend payments.

11.3 Total of segments measures

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

Adjusted EBITDA and Bell CTS adjusted EBITDA

We define adjusted EBITDA as operating revenues less operating costs.

We define Bell CTS adjusted EBITDA as BCE adjusted EBITDA less Bell Media adjusted EBITDA.

The most directly comparable financial measure under IFRS Accounting Standards is net earnings (loss). The following tables provide reconciliations of net earnings (loss) to BCE adjusted EBITDA and Bell CTS adjusted EBITDA.

	2025	Q4 2025	Q3 2025	Q2 2025	Q1 2025
Net earnings	**6,514**	**632**	**4,555**	**644**	**683**
Severance, acquisition and other costs	**517**	**147**	**82**	**41**	**247**
Depreciation	**3,861**	**1,002**	**969**	**949**	**941**
Amortization	**1,377**	**368**	**340**	**338**	**331**
Finance costs					
Interest expense	**1,775**	**453**	**457**	**442**	**423**
Net return on post-employment benefit plans	**(102)**	**(25)**	**(26)**	**(26)**	**(25)**
Impairment of assets	**1,027**	**40**	**970**	**8**	**9**
Net (gains) losses on investments	**(5,217)**	**(52)**	**(5,175)**	**8**	**2**
Other (income) expense	**(287)**	**(102)**	**95**	**30**	**(310)**
Income taxes	**1,193**	**201**	**495**	**240**	**257**
BCE adjusted EBITDA	**10,658**	**2,664**	**2,762**	**2,674**	**2,558**
Less: Bell Media adjusted EBITDA	**(782)**	**(151)**	**(237)**	**(235)**	**(159)**
Bell CTS adjusted EBITDA	**9,876**	**2,513**	**2,525**	**2,439**	**2,399**

	2024	Q4 2024	Q3 2024	Q2 2024	Q1 2024	2023
Net earnings (loss)	375	505	(1,191)	604	457	2,327
Severance, acquisition and other costs	454	154	49	22	229	200
Depreciation	3,758	933	934	945	946	3,745
Amortization	1,283	317	325	325	316	1,173
Finance costs						
Interest expense	1,713	431	440	426	416	1,475
Net return on post-employment benefit plans	(66)	(17)	(16)	(17)	(16)	(108)
Impairment of assets	2,190	4	2,113	60	13	143
Net (gains) losses on investments	(57)	1	(66)	2	6	(80)
Other expense	362	102	129	99	32	546
Income taxes	577	175	5	231	166	996
BCE adjusted EBITDA	10,589	2,605	2,722	2,697	2,565	10,417
Less: Bell Media adjusted EBITDA	(758)	(169)	(254)	(218)	(117)	(697)
Bell CTS adjusted EBITDA	9,831	2,436	2,468	2,479	2,448	9,720

11.4 Capital management measures

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

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

Net debt leverage ratio

The net debt leverage ratio represents net debt divided by adjusted EBITDA. Net debt used in the calculation of the net debt leverage ratio is a non-GAAP financial measure. For further details on net debt, see section 11.1, *Non-GAAP financial measures*. For the purposes of calculating our net debt leverage ratio, adjusted EBITDA is twelve-month trailing adjusted EBITDA.

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

11.5 Supplementary financial measures

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

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

11.6 KPIs

In addition to the non-GAAP financial measures and other financial measures described previously, we use the following KPIs to measure the success of our strategic priorities. These KPIs are not accounting measures and may not be comparable to similar measures presented by other issuers.

KPI	Definition
Adjusted EBITDA margin	Adjusted EBITDA margin is defined as adjusted EBITDA divided by operating revenues.
ARPU	ARPU is defined as Bell CTS Canada wireless external services revenues divided by the average mobile phone subscriber base for the specified period, expressed as a dollar unit per month.
Capital intensity	Capital intensity is defined as capital expenditures divided by operating revenues.
Churn	Mobile phone churn is the rate at which existing mobile phone subscribers cancel their services. It is a measure of our ability to retain our customers. Mobile phone churn is calculated by dividing the number of mobile phone deactivations during a given period by the average number of mobile phone subscribers in the base for the specified period and is expressed as a percentage per month.
Subscriber unit	Mobile phone subscriber unit is comprised of a recurring revenue generating portable unit (e.g. smartphones and feature phones) on an active service plan, that has access to our wireless networks and includes voice, text and/or data connectivity. We report mobile phone subscriber units in two categories: postpaid and prepaid. Prepaid mobile phone subscriber units are considered active for a period of 90 days following the expiry of the subscriber's prepaid balance. Mobile connected device subscriber unit is comprised of a recurring revenue generating portable unit (e.g. tablets, wearables, mobile Internet devices and IoT) on an active service plan, that has access to our wireless networks and is intended for limited or no cellular voice capability. Wireline subscriber unit consists of an active revenue-generating unit with access to our services, including retail Internet, IPTV, and/or residential NAS. A subscriber is included in our subscriber base when the service has been installed and is operational at the customer premise and a billing relationship has been established. • Retail Internet and IPTV subscribers have access to stand-alone services, and are primarily represented by a dwelling unit or a business location • Retail residential NAS subscribers are based on a line count and are represented by a unique telephone number

12 Effectiveness of internal controls

Disclosure controls and procedures

Our disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by us in reports filed or submitted under Canadian and U.S. securities laws is recorded, processed, summarized and reported within the time periods specified under those laws, and include controls and procedures that are designed to ensure that the information is accumulated and communicated to management, including BCE's President and CEO and EVP and Chief Financial Officer (CFO), to allow timely decisions regarding required disclosure.

As at December 31, 2025, management evaluated, under the supervision of and with the participation of the CEO and the CFO, the effectiveness of our disclosure controls and procedures, as defined in Rule 13a-15(e) under the U.S. *Securities Exchange Act of 1934,* as amended, and under National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings.*

The CEO and CFO of BCE Inc. have limited the scope of their design and evaluation of our disclosure controls and procedures to exclude the disclosure controls and procedures of Ziply Fiber, which we acquired on August 1, 2025, to the extent such disclosure controls and procedures are subsumed by internal control over financial reporting. The contribution of Ziply Fiber operations to our consolidated financial statements for the year ended December 31, 2025 was approximately 2% of consolidated revenues and (1%) of consolidated net earnings. Additionally, at December 31, 2025, the current assets and current liabilities of Ziply Fiber represented approximately 2% and 2% of our consolidated current assets and current liabilities, respectively, and the non-current assets and non-current liabilities of Ziply Fiber represented approximately 12% and 1% of our consolidated non-current assets and non-current liabilities, respectively. The design and evaluation of the disclosure controls and procedures of Ziply Fiber will be completed for the third quarter of 2026. Further details related to the acquisition of Ziply Fiber are disclosed in Note 4, *Business acquisitions and disposition,* in BCE's 2025 consolidated financial statements.

Based on that evaluation, which excluded the disclosure controls and procedures of Ziply Fiber, the CEO and CFO concluded that our disclosure controls and procedures were effective as at December 31, 2025.

Internal control over financial reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rule 13a-15(f) under the U.S. *Securities Exchange Act of 1934,* as amended, and under National Instrument 52-109. Our internal control over financial reporting is a process designed under the supervision of the CEO and CFO, and effected by the Board, management and other personnel of BCE, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards as issued by the IASB. However, because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements on a timely basis.

Management evaluated, under the supervision of and with the participation of the CEO and the CFO, the effectiveness of our internal control over financial reporting as at December 31, 2025, based on the criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The CEO and CFO have limited the scope of their design and evaluation of our internal control over financial reporting to exclude the internal control over financial reporting of Ziply Fiber, as further discussed in *Management's report on internal control over financial reporting.*

Based on that evaluation, which excluded the internal control over financial reporting of Ziply Fiber, the CEO and CFO concluded that our internal control over financial reporting was effective as at December 31, 2025.

Changes in internal control over financial reporting

No changes were made in our internal control over financial reporting during the year ended December 31, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Consolidated financial statements

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Management's responsibility for financial reporting

These financial statements form the basis for all of the financial information that appears in this report.

The financial statements and all of the information in this report are the responsibility of the management of BCE Inc. (BCE) and have been reviewed and approved by the board of directors. The board of directors is responsible for ensuring that management fulfills its financial reporting responsibilities. Ernst & Young LLP, Independent Registered Public Accounting Firm, have audited the financial statements.

Management has prepared the financial statements in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board. Under these principles, management has made certain estimates and assumptions that are reflected in the financial statements and notes. Management believes that these financial statements fairly present BCE's consolidated financial position, results of operations and cash flows.

Management has a system of internal controls designed to provide reasonable assurance that the financial statements are accurate and complete in all material respects. This is supported by an internal audit group that reports to the Audit Committee, and includes communication with employees about policies for ethical business conduct. Management believes that the internal controls provide reasonable assurance that our financial records are reliable and form a proper basis for preparing the financial statements, and that our assets are properly accounted for and safeguarded.

The board of directors has appointed an Audit Committee, which is made up of unrelated and independent directors. The Audit Committee's responsibilities include reviewing the financial statements and other information in this report, and recommending them to the board of directors for approval. You will find a description of the Audit Committee's other responsibilities in this report. The internal auditors and the shareholders' auditors have free and independent access to the Audit Committee.

(signed) Mirko Bibic

President and Chief Executive Officer

(signed) Curtis Millen

Executive Vice-President and Chief Financial Officer

(signed) Thierry Chaumont

Senior Vice-President, Controller and Tax

March 5, 2026

Report of independent registered public accounting firm

To the Shareholders and the Board of Directors of BCE Inc.

Opinion on the financial statements

We have audited the accompanying consolidated statement of financial position of BCE Inc. (the “Company”) as of December 31, 2025, the related consolidated income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the related notes, (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2025 and its financial performance and its cash flows for the year ended December 31, 2025, in conformity with IFRS Accounting Standards as issued by the International Accounting Standards Board.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated March 5, 2026 expressed an unqualified opinion thereon.

Basis for opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical audit matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matter or on the accounts or disclosures to which it relates.

Estimation of recoverable amount of goodwill and intangible assets - Bell Media

Description of the matter

As discussed in Notes 2, 8, 20 and 23 to the consolidated financial statements, goodwill and indefinite-life intangible assets within the Bell Media group (“Bell Media”) cash generating units (“CGUs”) or group of CGUs are tested at least annually for impairment or more frequently when indicators of impairment are identified. During the third quarter of 2025, the decline in legacy advertising demand and spending in the linear advertising market was identified as an impairment indicator for certain Bell Media CGUs. The estimate of the recoverable amount of the CGUs and group of CGUs is based on the fair value less costs to sell using discounted cash flows and market approaches. As a result of this assessment, management recognized aggregate impairment charges of $976 million for intangible and other assets of the English and French TV services, radio markets and out of home advertising business within the Bell Media segment.

Auditing the recoverable amounts of certain CGUs within, and the group of CGUs comprising, the Bell Media segment was determined to be a critical audit matter as it involved significant auditor judgement primarily due to the sensitivity of the estimated recoverable amounts to underlying significant assumptions. Significant assumptions included operating cash flow projections, market multiple data, discount rates and perpetuity growth rates. The significant assumptions used in the valuation models are forward-looking, and changes in these assumptions can have a material effect on the determination of the recoverable amount.

How we addressed the matter in our audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's impairment assessment processes. Our procedures included testing controls over management's review of the valuation models and the determination of the significant assumptions described above.

Our audit procedures to test management's impairment assessment included, among others, assessing the valuation methodologies and significant assumptions mentioned above and the underlying data used to develop such assumptions. We compared the operating cash flow forecasts used to estimate the recoverable amount to historical results, plans communicated to senior management and/or to underlying documentation and external market and industry data. With the involvement of our valuation specialists, we assessed the valuation methodologies applied, developed an independent range of reasonable discount rates and compared those to the Company's rates, assessed the perpetuity growth rate for certain CGUs and the group of CGUs for reasonableness based on publicly available market data, and evaluated market multiples applied for certain CGUs and the group of CGUs against precedent transactions and comparable public information. We performed sensitivity analyses over the Company's significant assumptions to determine the impact of such changes on the recoverable amount of certain CGUs and the group of CGUs.

Acquisition of Ziply Fiber - Valuation of certain network infrastructure and equipment assets

Description of the matter

As disclosed in Notes 1, 2 and 4 to the consolidated financial statements, on August 1, 2025, the Company acquired Northwest Fiber Holdco, LLC (doing business as Ziply Fiber ("Ziply Fiber")) for cash consideration of $5.01 billion. The net identifiable assets acquired were recognized at their fair value as of the acquisition date, which included $2.97 billion related to network infrastructure and equipment assets. This required estimates in determining the replacement cost of Ziply Fiber's network infrastructure and equipment assets acquired.

Auditing the Company's valuation of certain network infrastructure and equipment assets in the acquisition of Ziply Fiber was determined to be a critical audit matter as it involved a high degree of auditor judgement in evaluating the valuation methodologies and replacement cost assumptions used by management. Additionally, the audit effort associated with these assumptions required the involvement of our valuation specialists.

How we addressed the matter in our audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over management's process for estimating the fair value of the network infrastructure and equipment assets, including replacement cost assumptions.

To test the fair value of certain of the Company's acquired network infrastructure and equipment assets, we performed audit procedures that included, among others, involving our valuation specialists to assist in evaluating the appropriateness of the Company's valuation methodologies and significant assumptions used. We assessed the reasonability of replacement cost assumptions by comparing to historical records of Ziply Fiber for a sample of underlying network infrastructure and equipment assets. We involved our valuation specialists to assist in our evaluation of the replacement cost assumptions for a sample of certain network infrastructure and equipment assets by comparing to historical records of Ziply Fiber and to available market data.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2024.

Montréal, Canada

March 5, 2026

Report of independent registered public accounting firm

To the Shareholders and the Board of Directors of BCE Inc.

Opinion on the financial statements

We have audited the accompanying consolidated statement of financial position of BCE Inc. and subsidiaries (the “Company”) as at December 31, 2024, the related consolidated income statements, statements of comprehensive income, changes in equity, and cash flows, for the year ended December 31, 2024, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and its financial performance and its cash flows for the year ended December 31, 2024, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Deloitte LLP

Chartered Professional Accountants

Montréal, Canada

March 6, 2025

We began serving as the Company’s auditor in 1880. In 2025 we became the predecessor auditor.

Consolidated income statements

For the year ended December 31 (in millions of Canadian dollars, except share amounts)	Note	2025	2024
Operating revenues	3	**24,468**	24,409
Operating costs	3, 5	**(13,810)**	(13,820)
Severance, acquisition and other costs	6	**(517)**	(454)
Depreciation	18	**(3,861)**	(3,758)
Amortization	20	**(1,377)**	(1,283)
Finance costs			
Interest expense	7	**(1,775)**	(1,713)
Net return on post-employment benefit plans	28	**102**	66
Impairment of assets	8, 18, 20	**(1,027)**	(2,190)
Net gains on investments	9	**5,217**	57
Other income (expense) [1]	10	**287**	(362)
Income taxes	11	**(1,193)**	(577)
Net earnings		**6,514**	375
Net earnings attributable to:			
Common shareholders		**6,305**	163
Preferred shareholders		**155**	181
Non-controlling interest	37	**54**	31
Net earnings		**6,514**	375
Net earnings per common share - basic and diluted	12	**6.79**	0.18
Weighted average number of common shares outstanding - basic (millions)	12	**929.1**	912.3

(1) *We have presented amounts from the previous period to make them consistent with the presentation of the current period.*

Consolidated statements of comprehensive income

For the year ended December 31 (in millions of Canadian dollars)	Note	2025	2024
Net earnings		**6,514**	375
Other comprehensive income, net of income taxes			
Items that will be subsequently reclassified to net earnings			
Net change in value of derivatives designated as cash flow hedges, net of income taxes of ($201) million and $144 million for 2025 and 2024, respectively		**551**	(393)
Loss on cumulative translation adjustment		**(37)**	—
Items that will not be reclassified to net earnings			
Actuarial gains on post-employment benefit plans, net of income taxes of ($229) million and ($213) million for 2025 and 2024, respectively	28	**630**	583
Net change in value of publicly-traded and privately-held investments, net of income taxes of ($40) million and ($38) million for 2025 and 2024, respectively		**253**	239
Net change in value of derivatives designated as cash flow hedges, net of income taxes of $6 million and ($21) million for 2025 and 2024, respectively		**(15)**	59
Other comprehensive income		**1,382**	488
Total comprehensive income		**7,896**	863
Total comprehensive income attributable to:			
Common shareholders		**7,689**	648
Preferred shareholders		**155**	181
Non-controlling interest	37	**52**	34
Total comprehensive income		**7,896**	863

Consolidated statements of financial position

(in millions of Canadian dollars)	Note	December 31, 2025	December 31, 2024
ASSETS			
Current assets			
Cash		**314**	1,572
Cash equivalents		**6**	—
Short-term investments		**—**	400
Trade and other receivables	13	**4,474**	4,489
Inventory	8, 14	**389**	420
Contract assets	15	**575**	477
Contract costs	16	**849**	702
Prepaid expenses	8	**379**	259
Other current assets		**414**	524
Assets held for sale	17	**7**	80
Total current assets		**7,407**	8,923
Non-current assets			
Contract assets	15	**272**	282
Contract costs	16	**959**	888
Property, plant and equipment	8, 18	**33,541**	30,001
Intangible assets	8, 20	**17,234**	16,786
Deferred tax assets	11	**178**	136
Investments in associates and joint ventures	21	**396**	341
Post-employment benefit assets	28	**4,310**	3,578
Other non-current assets	22	**2,637**	2,289
Goodwill	4, 23	**13,231**	10,261
Total non-current assets		**72,758**	64,562
Total assets		**80,165**	73,485
LIABILITIES			
Current liabilities			
Trade payables and other liabilities	24	**4,392**	4,507
Contract liabilities	15	**872**	774
Interest payable		**435**	392
Dividends payable		**425**	933
Current tax liabilities		**567**	42
Debt due within one year	25	**6,155**	7,669
Liabilities held for sale	17	**10**	529
Total current liabilities		**12,856**	14,846
Non-current liabilities			
Contract liabilities	15	**374**	350
Long-term debt	26	**34,904**	32,835
Deferred tax liabilities	11	**6,105**	5,244
Post-employment benefit obligations	28	**1,151**	1,204
Other non-current liabilities	29	**1,465**	1,646
Total non-current liabilities		**43,999**	41,279
Total liabilities		**56,855**	56,125
Commitments and contingencies	35		
EQUITY			
Equity attributable to BCE shareholders			
Preferred shares	31	**3,288**	3,533
Common shares	31	**21,493**	20,860
Contributed surplus	31	**1,308**	1,278
Accumulated other comprehensive income (loss)		**573**	(159)
Deficit		**(3,642)**	(8,441)
Total equity attributable to BCE shareholders		**23,020**	17,071
Non-controlling interest	37	**290**	289
Total equity		**23,310**	17,360
Total liabilities and equity		**80,165**	73,485

Consolidated statements of changes in equity

For the year ended December 31, 2025 (in millions of Canadian dollars)	Note	Attributable to BCE shareholders								Non-controlling interest	Total equity
					Accumulated other comprehensive (loss) income						
		Preferred shares	Common shares	Contributed surplus	Publicly-traded and privately-held investments	Derivatives designated as cash-flow hedges	Cumulative translation adjustment	Deficit	Total		
Balance at December 31, 2024		**3,533**	**20,860**	**1,278**	**658**	**(817)**	**—**	**(8,441)**	**17,071**	**289**	**17,360**
Net earnings		**—**	**—**	**—**	**—**	**—**	**—**	**6,460**	**6,460**	**54**	**6,514**
Other comprehensive income (loss)		**—**	**—**	**—**	**253**	**538**	**(37)**	**630**	**1,384**	**(2)**	**1,382**
Total comprehensive income (loss)		**—**	**—**	**—**	**253**	**538**	**(37)**	**7,090**	**7,844**	**52**	**7,896**
Common shares issued under dividend reinvestment plan	31	**—**	**633**	**—**	**—**	**—**	**—**	**—**	**633**	**—**	**633**
Other share-based compensation	31	**—**	**—**	**(33)**	**—**	**—**	**—**	**14**	**(19)**	**—**	**(19)**
Repurchase of preferred shares	31	**(245)**	**—**	**63**	**—**	**—**	**—**	**—**	**(182)**	**—**	**(182)**
Dividends declared on BCE common and preferred shares		**—**	**—**	**—**	**—**	**—**	**—**	**(2,305)**	**(2,305)**	**—**	**(2,305)**
Dividends declared by subsidiaries to non-controlling interest		**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**(51)**	**(51)**
Settlement of cash flow hedges transferred to the cost basis of hedged items		**—**	**—**	**—**	**—**	**(22)**	**—**	**—**	**(22)**	**—**	**(22)**
Balance at December 31, 2025		**3,288**	**21,493**	**1,308**	**911**	**(301)**	**(37)**	**(3,642)**	**23,020**	**290**	**23,310**

For the year ended December 31, 2024 (in millions of Canadian dollars)	Note	Attributable to BCE shareholders							Non-controlling interest	Total equity
					Accumulated other comprehensive loss					
		Preferred shares	Common shares	Contributed surplus	Publicly-traded and privately-held investments [1]	Derivatives designated as cash-flow hedges [1]	Deficit	Total		
Balance at December 31, 2023		3,667	20,859	1,258	419	(461)	(5,513)	20,229	328	20,557
Net earnings		—	—	—	—	—	344	344	31	375
Other comprehensive income (loss)		—	—	—	239	(337)	583	485	3	488
Total comprehensive income (loss)		—	—	—	239	(337)	927	829	34	863
Other share-based compensation	31	—	1	(22)	—	—	(33)	(54)	—	(54)
Repurchase of preferred shares	31	(134)	—	42	—	—	—	(92)	—	(92)
Dividends declared on BCE common and preferred shares		—	—	—	—	—	(3,827)	(3,827)	—	(3,827)
Dividends declared by subsidiaries to non-controlling interest		—	—	—	—	—	—	—	(68)	(68)
Settlement of cash flow hedges transferred to the cost basis of hedged items		—	—	—	—	(19)	—	(19)	—	(19)
Acquisition of minority interest		—	—	—	—	—	5	5	(5)	—
Balance at December 31, 2024		3,533	20,860	1,278	658	(817)	(8,441)	17,071	289	17,360

(1) *We have presented amounts from the previous period to make them consistent with the presentation for the current period.*

Consolidated statements of cash flows

For the year ended December 31 (in millions of Canadian dollars)	Note	2025	2024
Cash flows from operating activities			
Net earnings		**6,514**	375
Adjustments to reconcile net earnings to cash flows from operating activities			
Severance, acquisition and other costs	6	**517**	454
Depreciation and amortization	18 , 20	**5,238**	5,041
Post-employment benefit plans cost	28	**96**	142
Net interest expense		**1,696**	1,590
Impairment of assets	8	**1,027**	2,190
Net gains on investments	9	**(5,217)**	(57)
Net early debt redemption gains	10	**(249)**	—
Net equity losses from investments in associates and joint ventures	10	**—**	247
Income taxes	11	**1,193**	577
Contributions to post-employment benefit plans	28	**(49)**	(52)
Payments under other post-employment benefit plans	28	**(59)**	(61)
Severance and other costs paid		**(425)**	(330)
Interest paid		**(1,808)**	(1,759)
Income taxes paid (net of refunds)		**(737)**	(783)
Acquisition and other costs paid		**(87)**	(52)
Net change in operating assets and liabilities		**(657)**	(534)
Cash flows from operating activities		**6,993**	6,988
Cash flows used in investing activities			
Capital expenditures	3	**(3,700)**	(3,897)
Decrease in short-term investments		**400**	600
Business acquisitions	4	**(4,905)**	(624)
Business dispositions		**102**	—
Increase in investments (1)		**(83)**	(34)
Decrease in investments (1)	17	**4,684**	12
Spectrum licences	20	**(3)**	(531)
Other investing activities (1)		**(95)**	36
Cash flows used in investing activities		**(3,600)**	(4,438)
Cash flows used in financing activities			
Increase in notes payable		**452**	1,945
Issue of long-term debt	26	**7,809**	3,834
Repayment of long-term debt	26	**(10,092)**	(3,303)
Purchase of shares for settlement of share-based payments	32	**(216)**	(235)
Repurchase of preferred shares	31	**(182)**	(92)
Cash dividends paid on common shares		**(2,026)**	(3,613)
Cash dividends paid on preferred shares		**(151)**	(187)
Cash dividends paid by subsidiaries to non-controlling interest	37	**(51)**	(68)
Other financing activities		**(189)**	(31)
Cash flows used in financing activities		**(4,646)**	(1,750)
Effect of currency exchange rate changes on cash and cash equivalents		**1**	—
Net (decrease) increase in cash		**(1,258)**	1,025
Cash at beginning of year		**1,572**	547
Cash at end of year		**314**	1,572
Net increase (decrease) in cash equivalents		**6**	(225)
Cash equivalents at beginning of year		**—**	225
Cash equivalents at end of year		**6**	—

(1) *We have presented amounts from the previous period to make them consistent with the presentation of the current period.*

Notes to consolidated financial statements

***We, us, our, BCE* and *the company* mean, as the context may require, either BCE Inc. or, collectively, BCE Inc., Bell Canada, their subsidiaries, joint arrangements and associates.**

Note 1 Corporate information

BCE is incorporated and domiciled in Canada. BCE's head office is located at 1, Carrefour Alexander-Graham-Bell, Verdun, Québec, Canada. BCE is a communications company providing products and services in Canada and, subsequent to the acquisition of Northwest Fiber Holdco, LLC (doing business as Ziply Fiber (Ziply Fiber)) on August 1, 2025, in the Pacific Northwest of the United States (U.S.). Bell Communication and Technology Services (Bell CTS) includes our Bell CTS Canada segment which provides wireless, wireline, Internet, streaming services, and television (TV) services to residential, business and wholesale customers in Canada and our Bell CTS U.S. segment which provides wireline, Internet and TV services to residential, business and wholesale customers in the Pacific Northwest of the U.S. Our Bell Media segment holds a portfolio of assets providing premium video, audio, out-of-home (OOH) advertising, and digital media services to customers nationally across Canada. The consolidated financial statements (financial statements) were approved by BCE's board of directors on March 5, 2026.

Note 2 Material accounting policies

A) Basis of presentation

The financial statements were prepared in accordance with IFRS® Accounting Standards, as issued by the International Accounting Standards Board (IASB). The financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value as described in our accounting policies.

All amounts are in millions of Canadian dollars, except where noted.

Functional currency

The financial statements are presented in Canadian dollars, BCE's functional currency.

Ziply Fiber's functional currency is the U.S. dollar. Assets and liabilities of foreign operations that have a functional currency other than the Canadian dollar are translated at the exchange rate in effect as at the date of the consolidated statements of financial position (statements of financial position). Revenues and expenses are translated at average exchange rates for the period, where the average exchange rates approximate the exchange rates at the dates of the transactions. The resulting foreign currency translation adjustments are recognized in *Other comprehensive income*.

B) Basis of consolidation

We consolidate the financial statements of all of our subsidiaries.

The results of subsidiaries acquired during the year are consolidated from the date of acquisition and the results of subsidiaries sold during the year are deconsolidated from the date of disposal. Intercompany transactions, balances, income and expenses are eliminated on consolidation.

C) Revenue from contracts with customers

Revenue is measured based on the value of the expected consideration in a contract with a customer and excludes sales taxes and other amounts we collect on behalf of third parties. We recognize revenue when control of a product or service is transferred to a customer. When our right to consideration from a customer corresponds directly with the value to the customer of the products and services transferred to date, we recognize revenue in the amount to which we have a right to invoice.

For bundled arrangements, we account for individual products and services when they are separately identifiable and the customer can benefit from the product or service on its own or with other readily available resources. The total arrangement consideration is allocated to each product or service included in the contract with the customer based on its stand-alone selling price. We generally determine stand-alone selling prices based on the observable prices at which we sell products separately without a service contract and prices for non-bundled service offers with the same range of services, adjusted for market conditions and other factors, as appropriate. When similar products and services are not sold separately, we use the expected cost plus margin approach to determine stand-alone selling prices. Products and services purchased by a customer in excess of those included in the bundled arrangement are accounted for separately.

We may enter into arrangements with subcontractors and others who provide services to our customers. When we act as the principal in these arrangements, we recognize revenues based on the amounts billed to our customers. Otherwise, we recognize the net amount that we retain as revenues.

A contract asset is recognized in the statements of financial position when our right to consideration from the transfer of products or services to a customer is conditional on our obligation to transfer other products or services. Contract assets are transferred to trade receivables when our right to consideration becomes conditional only as to the passage of time. A contract liability is recognized in the statements of financial position when we receive consideration in advance of the transfer of products or services to the customer. Contract assets and liabilities relating to the same contract are presented on a net basis.

Incremental costs of obtaining a contract with a customer, principally comprised of sales commissions, and prepaid contract fulfillment costs are included in *Contract costs* in the statements of financial position, except where the amortization period is one year or less, in which case costs of obtaining a contract are immediately expensed. Capitalized costs are amortized on a systematic basis that is consistent with the period and pattern of transfer to the customer of the related products or services.

Bell CTS Canada and Bell CTS U.S. segment revenues

We recognize product revenues from the sale of equipment when a customer takes possession of the product. We recognize service revenues over time, as the services are provided. Revenues on certain long-term contracts are recognized using output methods based on products delivered, performance completed to date, time elapsed or milestones met.

For wireless products and services that are sold separately, customers usually pay in full at the time of sale for products and on a monthly basis for services. For wireless products and services sold in bundled arrangements, including device financing plans, customers pay monthly over a contract term of up to 24 months, with an option to finance any remaining device balance over an additional 12 months. If they include a significant financing component, device financing plan receivables are discounted at market rates and interest revenue is accreted over the contractual repayment period.

For wireline customers, products are usually paid in full at the time of sale. Services are paid for on a monthly basis except where a billing schedule has been established with certain business customers under long-term contracts that can extend up to ten years.

Bell Media segment revenues

We recognize advertising revenue when advertisements are aired on the radio or TV, posted on our websites or applications or appear on our advertising panels and street furniture. Revenues relating to subscriber fees are recorded on a monthly basis as the services are provided. Advertising customer payments and subscriber fees earned from distributors are usually due monthly as the services are provided. Customer payments for direct-to-consumer subscriber fees are paid in full at the time of the sale.

See Note 3, *Segmented information*, for additional details.

D) Share-based payments

Our share-based payment arrangements include an employee savings plan (ESP), restricted share units (RSUs) and performance share units (PSUs), deferred share units (DSUs) and stock options.

ESP

We recognize our ESP contributions as compensation expense in *Operating costs* in the consolidated income statements (income statements) over the two-year vesting period, with a corresponding credit to contributed surplus. The value of an ESP at the grant date is equal to the value of one BCE common share. Additional ESPs are issued to reflect dividends declared on BCE common shares. Upon settlement of shares under the ESP, any difference between the cost of BCE common shares purchased on the open market and the amount credited to contributed surplus is reflected in the deficit.

RSUs/PSUs

For each RSU/PSU granted, we recognize compensation expense in *Operating costs* in the income statements over the three-year vesting period, with a corresponding credit to contributed surplus. The value of a RSU/PSU at the grant date is equal to the value of one BCE common share or the value estimated using a Monte Carlo simulation for PSUs that include relative total shareholder return as a performance condition. Additional RSUs/PSUs are issued to reflect dividends declared on BCE common shares. Upon settlement of the RSUs/PSUs, any difference between the cost of BCE common shares purchased on the open market and the amount credited to contributed surplus is reflected in the deficit. Vested RSUs/PSUs are settled in BCE common shares, DSUs, or a combination thereof.

DSUs

If compensation is elected to be taken in DSUs, we issue DSUs equal to the fair value of the services received, with a corresponding credit to contributed surplus. Additional DSUs are issued to reflect dividends declared on the common shares. DSUs are settled in BCE common shares purchased on the open market following the cessation of employment or when a director leaves the Board. Upon settlement of the DSUs, any difference between the cost of BCE common shares purchased on the open market and the amount credited to contributed surplus is reflected in the deficit.

Stock options

The fair value of options granted is determined using a variation of a binomial option pricing model that takes into account factors specific to the stock option plan. We recognize compensation expense in *Operating costs* in the income statements over the three-year vesting period, with a corresponding credit to contributed surplus.

When stock options are exercised, we credit share capital for the amount received and the amounts previously credited to contributed surplus.

E) Income and other taxes

Current and deferred income tax expense is recognized in the income statements, except to the extent that the expense relates to items recognized in other comprehensive income or directly in equity.

We use the liability method to account for deferred tax assets and liabilities, which arise from:

- temporary differences between the carrying amount of assets and liabilities recognized in the statements of financial position and their corresponding tax bases
- the carryforward of unused tax losses and credits, to the extent they can be used in the future

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply when the asset or liability is recovered or settled. Both our current and deferred tax assets and liabilities are calculated using tax rates that have been enacted or substantively enacted at the reporting date.

Deferred taxes are provided on temporary differences arising from investments in subsidiaries, joint arrangements and associates, except where we control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Tax liabilities are, where permitted, offset against tax assets within the same taxable entity and tax jurisdiction.

As required by IFRS Accounting Standards, we do not recognize or disclose information about deferred tax assets and liabilities related to the Pillar Two model rules published by the Organisation for Economic Co-operation and Development, including tax law that implements qualified domestic minimum top-up taxes described in those rules.

Investment tax credits (ITCs), other tax credits and government grants

We recognize ITCs, other tax credits and government grants given on eligible expenditures when it is reasonably assured that they will be realized. We use the cost reduction method to account for ITCs and government grants, under which the credits are applied against the expense or asset to which the ITCs or government grants relate.

F) Cash equivalents and other short-term deposits

Cash equivalents are comprised of highly liquid investments with original maturities of three months or less from the date of purchase and are measured at amortized cost. Short-term deposits with original maturities of more than three months are included in *Short-term investments* in the statements of financial position and are measured at amortized cost.

G) Securitization of receivables

Proceeds on the securitization of receivables are recognized as a collateralized borrowing as we do not transfer substantially all the risks and rewards of ownership to another entity.

H) Inventory

We measure inventory at the lower of cost and net realizable value. Inventory includes all costs to purchase, convert and bring the inventories to their present location and condition. We determine cost using specific identification for major equipment held for resale and the weighted average cost formula for all other inventory. We maintain inventory valuation reserves for inventory that is slow-moving or potentially obsolete, calculated using an inventory aging analysis.

I) Property, plant and equipment

We record property, plant and equipment at cost. Cost includes expenditures that are directly attributable to the acquisition or construction of the asset, including the purchase cost and labour.

Borrowing costs are capitalized for qualifying assets if the time to build or develop the asset is in excess of one year, at a rate that is based on the weighted average interest rate on our outstanding long-term debt. Gains or losses on the sale or retirement of property, plant and equipment are recorded in *Other income (expense)* in the income statements.

Leases

We enter into leases for network infrastructure and equipment, land and buildings in the normal course of business. Lease contracts are typically made for fixed periods but may include purchase, renewal or termination options. Leases are negotiated on an individual basis and contain a wide range of different terms and conditions.

We adopted IFRS 16 - *Leases* as of January 1, 2019. Certain finance leases entered into prior to 2019 were initially measured under IAS 17 - *Leases*, as permitted by the transition provisions of IFRS 16.

IFRS 16

We assess whether a contract contains a lease at inception of the contract. A lease contract conveys the right to control the use of an identified asset for a period in exchange for consideration. We recognize lease liabilities with corresponding right-of-use assets for all lease agreements, except for short-term leases and leases of low value assets, which are expensed on a straight-line basis over the lease term. Consideration in a contract is allocated to lease and non-lease components on a relative stand-alone value basis. We generally account for lease components and any associated non-lease components as a single lease component.

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using our incremental borrowing rate, unless the rate implicit in the lease is readily determinable. We apply a single incremental borrowing rate to a portfolio of leases with similar characteristics. Lease payments included in the measurement of the lease liability comprise:

- fixed (and in-substance fixed) lease payments, less any lease incentives
- variable lease payments that depend on an index or rate
- payments expected under residual value guarantees and payments relating to purchase options and renewal option periods that are reasonably certain to be exercised (or periods subject to termination options that are not reasonably certain to be exercised)

Lease liabilities are subsequently measured at amortized cost using the effective interest method. Lease liabilities are remeasured, with a corresponding adjustment to the related right-of-use assets, when there is a change in variable lease payments arising from a change in an index or rate, or when we change our assessment of whether purchase, renewal or termination options will be exercised.

Right-of-use assets are measured at cost and are comprised of the initial measurement of the corresponding lease liabilities, lease payments made at or before the commencement date and any initial direct costs. They are subsequently depreciated on a straight-line basis and reduced by impairment losses, if any. Right-of-use assets may also be adjusted to reflect the remeasurement of related lease liabilities. If we obtain ownership of the leased asset by the end of the lease term or the cost of the right-of-use asset reflects the exercise of a purchase option, we depreciate the right-of-use asset from the lease commencement date to the end of the useful life of the underlying asset. Otherwise, we depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the underlying asset or the end of the lease term.

Variable lease payments that do not depend on an index or rate are not included in the measurement of lease liabilities and right-of-use assets. The related payments are expensed in operating costs in the period in which the event or condition that triggers those payments occurs.

As lessor, a lease is classified as a finance lease if substantially all of the risks and rewards incidental to ownership of the underlying asset is transferred to the lessee, otherwise the lease is classified as an operating lease. Finance leases are recognized in the statements of financial position as a net investment in lease, comprised mainly of the present value of lease payments not yet received. Lease payments received under operating leases are recognized in the income statements on a straight-line basis.

IAS 17

Prior to 2019, under IAS 17, leases of property, plant and equipment were recognized as finance leases when we obtained substantially all the risks and rewards of ownership of the underlying assets. At the inception of the lease, we recorded an asset and a corresponding long-term lease liability, at the lower of the fair value of the leased asset or the present value of the minimum future lease payments, excluding non-lease components.

Asset retirement obligations (AROs)

We initially measure and record AROs at management's best estimate using a present value methodology, adjusted subsequently for any changes in the timing or amount of cash flows and changes in discount rates. We capitalize asset retirement costs as part of the related assets and amortize them into earnings over time. We also increase the ARO and record a corresponding amount in interest expense to reflect the passage of time.

J) Intangible assets

Finite-life intangible assets

Finite-life intangible assets are recorded at cost less accumulated amortization and accumulated impairment losses, if any.

Software

We record internal-use software at cost. Cost includes expenditures that are directly attributable to the acquisition or development of the software, including the purchase cost and labour.

Software development costs are capitalized when all the following conditions are met:

- technical feasibility can be demonstrated
- management has the intent and the ability to complete the asset for use or sale
- it is probable that economic benefits will be generated
- costs attributable to the asset can be measured reliably

Customer relationships

Customer relationship assets are acquired through business acquisitions and are recorded at fair value at the date of acquisition.

Program and feature film rights

We account for program and feature film rights as intangible assets when these assets are acquired for the purpose of distribution through broadcasting, digital media and streaming services. Program and feature film rights, which include producer advances and licence fees paid in advance of receipt of the program or film, are stated at acquisition cost less accumulated amortization and accumulated impairment losses, if any. Programs and feature films under licence agreements are recorded as assets for rights acquired and liabilities for obligations incurred when:

- we receive a broadcast master and the cost is known or reasonably determinable for new program and feature film licences; or
- the licence term commences for licence period extensions or syndicated programs

Related liabilities of programs and feature films are classified as current or non-current, based on the payment terms. Amortization of program and feature film rights is recorded in *Operating costs* in the income statements.

Indefinite-life intangible assets

Brand assets, mainly comprised of the Bell, Bell Media, Bell MTS and Ziply Fiber brands, and broadcast licences are acquired through business acquisitions and are recorded at fair value at the date of acquisition, less accumulated impairment losses, if any. Wireless spectrum licences are recorded at acquisition cost, including borrowing costs when the time to build or develop the related network is in excess of one year. Borrowing costs are calculated at a rate that is based on the weighted average interest rate on our outstanding long-term debt.

Currently, there are no legal, regulatory, competitive or other factors that limit the useful lives of our indefinite-life intangible assets.

K) Depreciation and amortization

We depreciate property, plant and equipment and amortize finite-life intangible assets on a straight-line basis over their estimated useful lives. We review our estimates of useful lives on an annual basis and adjust depreciation and amortization on a prospective basis, as required. Land and assets under construction or development are not depreciated.

	Estimated useful life
Property, plant and equipment	
Network infrastructure and equipment	2 to 40 years
Buildings	5 to 50 years
Finite-life intangible assets	
Software	2 to 12 years
Customer relationships	2 to 26 years
Program and feature film rights	Up to 5 years

L) Investments in associates and joint arrangements

Our financial statements incorporate our share of the results of our associates and joint arrangements using the equity method of accounting, except when the investment is classified as held for sale. Equity income from investments is recorded in *Other income (expense)* in the income statements.

Investments in associates and joint arrangements are recognized initially at cost and adjusted thereafter to include the company's share of income or loss and comprehensive income or loss on an after-tax basis.

Investments are reviewed for impairment at each reporting period and we compare their recoverable amount to their carrying amount when there is an indication of impairment.

We recognize our share of the assets, liabilities, revenues and expenses of joint operations in accordance with the related contractual agreements.

M) Business acquisitions and goodwill

Business acquisitions are accounted for using the acquisition method. The consideration transferred in a business acquisition is measured at fair value at the date of acquisition. Acquisition-related transaction costs are expensed as incurred and recorded in *Severance, acquisition and other costs* in the income statements.

Identifiable assets and liabilities, including intangible assets, of acquired businesses are recorded at their fair values at the date of acquisition. When we acquire control of a business, any previously-held equity interest is remeasured to fair value and any gain or loss on remeasurement is recognized in *Other income (expense)* in the income statements. The excess of the purchase consideration and any previously-held equity interest over the fair value of identifiable net assets acquired is recorded as *Goodwill* in the statements of financial position.

N) Impairment of non-financial assets

Goodwill and indefinite-life intangible assets are tested for impairment annually and when there is an indication that the asset may be impaired. Property, plant and equipment and finite-life intangible assets are tested for impairment if events or changes in circumstances, assessed at each reporting period, indicate that their carrying amount may not be recoverable. For the purpose of impairment testing, assets other than goodwill are grouped at the lowest level for which there are separately identifiable cash inflows.

Impairment losses are recognized and measured as the excess of the carrying value of the assets over their recoverable amount. An asset's recoverable amount is the higher of its fair value less costs of disposal and its value in use. Previously recognized impairment losses, other than those attributable to goodwill, are reviewed for possible reversal at each reporting date and, if the asset's recoverable amount has increased, all or a portion of the impairment is reversed.

Goodwill impairment testing

We perform an annual test for goodwill impairment in the fourth quarter for each of our cash-generating units (CGUs) or groups of CGUs to which goodwill is allocated, and whenever there is an indication that goodwill might be impaired.

A CGU is the smallest identifiable group of assets that generates cash inflows that are independent of the cash inflows from other assets or groups of assets.

We identify any potential impairment by comparing the carrying value of a CGU or group of CGUs to its recoverable amount. The recoverable amount of a CGU or group of CGUs is the higher of its fair value less costs of disposal and its value in use. Both fair value less costs of disposal and value in use are based on estimates of discounted future cash flows or other valuation methods. Cash flows are projected based on past experience, actual operating results and business plans, including

any impact from changes in interest rates and inflation. We recognize an impairment charge in the income statements by reducing the carrying value of goodwill when the recoverable amount of a CGU or group of CGUs to which goodwill is allocated is less than its carrying value. Any impairment charge in excess of the carrying value of the related goodwill reduces the carrying value of each of the other assets of the corresponding CGU or groups of CGUs on a pro rata basis, not below the recoverable amount of each asset.

For purposes of impairment testing of goodwill, our CGUs or groups of CGUs correspond to our reporting segments as disclosed in Note 3, *Segmented information*.

O) Financial instruments and contract assets

We measure trade and other receivables, including wireless device financing plan receivables, at amortized cost using the effective interest method, net of any allowance for doubtful accounts.

Our portfolio investments in equity securities are classified as fair value through other comprehensive income and are presented in our statements of financial position as *Other non-current assets*. These securities are recorded at fair value on the date of acquisition, including related transaction costs, and are adjusted to fair value at each reporting date. The corresponding unrealized gains and losses are recorded in *Other comprehensive income* in the consolidated statements of comprehensive income (statements of comprehensive income) and are reclassified from *Accumulated other comprehensive income (loss)* to the *Deficit* in the statements of financial position when realized.

Other financial liabilities, which include trade payables and accruals, compensation payable, interest payable and long-term debt, are recorded at amortized cost using the effective interest method.

We measure the allowance for doubtful accounts and impairment of contract assets based on an expected credit loss (ECL) model, which takes into account current economic conditions, historical information, and forward-looking information, including interest rates and inflation. We use the simplified approach for measuring losses based on the lifetime ECL for trade and other receivables and contract assets. Amounts considered uncollectible are written off and recognized in *Operating costs* in the income statements.

The cost of issuing debt is included as part of long-term debt and is accounted for at amortized cost using the effective interest method. The cost of issuing equity is reflected in the consolidated statements of changes in equity as a charge to the deficit.

P) Derivative financial instruments

We use derivative financial instruments to manage our exposure to foreign currency risk, interest rate risk and changes in the price of BCE common shares. We do not use derivative financial instruments for speculative or trading purposes.

Derivatives that mature within one year are included in *Other current assets* or *Trade payables and other liabilities* in the statements of financial position, whereas derivatives that have a maturity of more than one year are included in *Other non-current assets* or *Other non-current liabilities*.

Hedge accounting

Fair value hedges

We use cross currency interest rate swaps to manage foreign currency and interest rate risk on certain U.S. dollar long-term debt. We use interest rate swaps, including forward starting interest rate swaps, to manage the interest rate risk on certain long-term debt. Changes in the fair value of these derivatives and the related debt are recognized in *Other income (expense)* in the income statements and offset each other, except for any ineffective portion of the hedging relationship.

Cash flow hedges

We use foreign currency forward contracts and options to manage foreign currency risk relating to anticipated purchases denominated in foreign currencies. Changes in the fair value of these derivatives are recognized in *Other comprehensive income*, except for any ineffective portion of the hedging relationship, which is recognized in *Other income (expense)* in the income statements. Realized gains and losses in *Accumulated other comprehensive income (loss)* are reclassified to the income statements or to the initial cost of the related non-financial asset in the same periods as the corresponding hedged transactions are recognized.

We use foreign currency forward contracts to manage foreign currency risk relating to our U.S. dollar debt under our commercial paper program and securitization of receivables program. Changes in the fair value of these derivatives are recognized in *Other income (expense)* in the income statements and offset the foreign currency translation adjustment on the related debt, except for any portion of the hedging relationship which is ineffective.

We use cross currency interest rate swaps and foreign currency swaps to manage foreign currency and interest rate risk related to certain U.S. dollar long-term debt. We also use interest rate swaps, including forward starting interest rate swaps, to manage the interest rate risk related to certain Canadian dollar long-term debt. Changes in the fair value of these derivatives are recognized in *Other comprehensive income*, except for amounts recorded in *Other income (expense)* in the

income statements to offset the foreign currency translation adjustment on the related debt and any portion of the hedging relationship which is ineffective.

We use forward starting interest rate swaps to manage interest rate risk related to certain future debt issuances. Changes in the fair value of these derivatives are recognized in *Other comprehensive income*, except for any ineffective portion of the hedging relationship, which is recognized in *Other income (expense)* in the income statements. Realized gains and losses in *Accumulated other comprehensive income (loss)* are reclassified to *Interest expense* in the income statements over the term of the related debt, once issued.

We use foreign currency forward contracts to manage foreign currency risk relating to anticipated business acquisitions. Changes in the fair value of these derivatives are recognized in *Other comprehensive income*, except for any portion of the hedging relationship which is ineffective and is recognized in *Other income (expense)* in the income statements. Realized gains and losses in *Accumulated other comprehensive income (loss)* are reclassified to the initial cost of the acquired entity at the date of acquisition.

Hedges of a net investment in foreign operations

We use U.S. dollar long-term debt to hedge a portion of the U.S. currency exposure related to our net investment in Ziply Fiber. Foreign currency translation gains and losses related to the U.S. dollar long-term debt are recognized in *Other comprehensive income* to partially offset the corresponding cumulative translation adjustment.

Derivatives used as economic hedges

We use derivatives to manage cash flow exposures related to our equity settled share-based payment plans and anticipated purchases in foreign currencies, interest rate risk related to preferred share dividend rate resets and interest rate risk related to existing and anticipated debt issuances. As these derivatives do not qualify for hedge accounting, the changes in their fair value are recorded in the income statements in *Other income (expense)*.

Q) Post-employment benefit plans

Defined benefit (DB) and other post-employment benefit (OPEB) plans

We maintain DB pension plans that provide pension benefits for certain employees and retirees. Benefits are based on the employee's length of service and average rate of pay during the highest paid consecutive five years of service. Most employees are not required to contribute to the plans. Certain plans provide cost of living adjustments to help protect the income of retired employees against inflation.

We are responsible for adequately funding our DB pension plans. We make contributions to them based on various actuarial cost methods permitted by pension regulatory bodies. Contributions reflect actuarial assumptions about future investment returns, salary projections, future service and life expectancy.

We provide OPEBs to some of our employees, including:

- health care and life insurance benefits during retirement, which have been phased out for new retirees since December 31, 2016. Most of these OPEB plans are unfunded and benefits are paid when incurred.
- other benefits, including workers' compensation and medical benefits to former or inactive employees, their beneficiaries and dependants, from the time their employment ends until their retirement starts, under certain circumstances

We accrue our obligations and related costs under post-employment benefit plans, net of the fair value of the benefit plan assets. Pension and OPEB costs are determined using:

- the projected unit credit method, prorated on years of service, which takes into account future pay levels
- a discount rate based on market interest rates of high-quality corporate fixed income investments with maturities that match the timing of benefits expected to be paid under the plans
- management's best estimate of pay increases, retirement ages of employees, expected healthcare costs and life expectancy

We value post-employment benefit plan assets at fair value using current market values.

Post-employment benefit plans current service cost is included in *Operating costs* in the income statements. Interest on our post-employment benefit plan assets and obligations is recognized in *Finance costs* in the income statements and represents the accretion of interest on the assets and obligations under our post-employment benefit plans. The interest rate is based on market conditions that existed at the beginning of the year. Actuarial gains and losses for all post-employment benefit plans are recorded in *Other comprehensive income* in the statements of comprehensive income in the period in which they occur and are recognized immediately in the deficit.

December 31 is the measurement date for our significant post-employment benefit plans. Our actuaries perform a valuation based on management's assumptions at least every three years to determine the actuarial present value of the accrued DB pension plans and OPEB obligations. The most recent actuarial valuation of our significant pension plans was as at December 31, 2024.

Defined contribution (DC) pension plans

We maintain DC pension plans that provide certain employees with benefits. Under these plans, we are responsible for contributing a predetermined amount to an employee's retirement savings, based on a percentage of the employee's salary.

We recognize a post-employment benefit plans service cost for DC pension plans when the employee provides service to the company, essentially coinciding with our cash contributions.

When eligible, new employees can only participate in the DC pension plans.

R) Provisions

Provisions are recognized when all the following conditions are met:

- the company has a present legal or constructive obligation based on past events
- it is probable that an outflow of economic resources will be required to settle the obligation
- the amount can be reasonably estimated

Provisions are measured at the present value of the estimated expenditures expected to settle the obligation, if the effect of the time value of money is material. The present value is determined using current market assessments of the discount rate and risks specific to the obligation. The obligation increases as a result of the passage of time, resulting in interest expense which is recognized in *Finance costs* in the income statements.

S) Estimates and key judgments

When preparing the financial statements, management makes estimates and judgments relating to:

- reported amounts of revenues and expenses
- reported amounts of assets and liabilities
- disclosure of contingent assets and liabilities

We base our estimates on a number of factors, including but not limited to historical experience, current events, economic and financial market conditions such as interest rates, inflation and the risk of recession, geopolitical events and supply chain disruptions, and actions that the company may undertake in the future, as well as other assumptions that we believe are reasonable under the circumstances. A change in these assumptions may have an impact on our financial statements including but not limited to impairment testing, fair value determination, expected credit losses and discount rates used for the present value of cash flows. By their nature, these estimates and judgments are subject to measurement uncertainty and actual results could differ. Our more significant estimates and judgments are described below**.**

Estimates

Useful lives of property, plant and equipment and finite-life intangible assets

Property, plant and equipment and finite-life intangible assets represent a significant proportion of our total assets. Changes in technology or our intended use of these assets, climate change and our sustainability initiatives as well as changes in business prospects or economic and industry factors, may cause the estimated useful lives of these assets to change.

Business acquisitions

We use various estimates, including replacement costs, customer churn and discount rates, in determining the fair value assigned to assets acquired and liabilities assumed in business acquisitions, in particular for property, plant and equipment and intangible assets.

Post-employment benefit plans

The amounts reported in the financial statements relating to DB pension plans and OPEBs are determined using actuarial calculations that are based on several assumptions.

The actuarial valuation uses management's assumptions for, among other things, the discount rate, life expectancy, the rate of compensation increase, cost of living indexation rate, trends in healthcare costs and expected average remaining years of service of employees.

The most significant assumptions used to calculate the net post-employment benefit plans cost are the discount rate and life expectancy.

The discount rate is based on the yield on long-term, high-quality corporate fixed income investments, with maturities matching the estimated cash flows of the post-employment benefit plans. Life expectancy is based on publicly available Canadian mortality tables and is adjusted for the company's specific experience.

Revenue from contracts with customers

We are required to make estimates that affect the amount of revenue from contracts with customers, including estimating the stand-alone selling prices of products and services.

Impairment of non-financial assets

We make a number of estimates when calculating recoverable amounts using discounted future cash flows or other valuation methods to test for impairment. These estimates include the assumed growth rates for future cash flows, the number of years used in the cash flow model and the discount rate.

Deferred taxes

The amounts of deferred tax assets and liabilities are estimated with consideration given to the timing, sources and amounts of future taxable income.

Leases

The application of IFRS 16 requires us to make estimates that affect the measurement of right-of-use assets and liabilities, including determining the appropriate discount rate used to measure lease liabilities. Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using our incremental borrowing rate, unless the rate implicit in the lease is readily determinable. Our incremental borrowing rate is derived from publicly available risk-free interest rates, adjusted for applicable credit spreads and lease terms. We apply a single incremental borrowing rate to a portfolio of leases with similar characteristics.

Fair value of financial instruments

Certain financial instruments, such as investments in equity securities, derivative financial instruments and certain elements of borrowings, are carried in the statements of financial position at fair value, with changes in fair value reflected in the income statements and the statements of comprehensive income. Fair values are estimated by reference to published price quotations or by using other valuation techniques that may include inputs that are not based on observable market data, such as discounted cash flows and earnings multiples.

Contingencies

In the ordinary course of business, we become involved in various claims and legal proceedings seeking monetary damages and other relief. Pending claims and legal proceedings represent a potential cost to our business. We estimate the amount of a loss by analyzing potential outcomes and assuming various litigation and settlement strategies, based on information that is available at the time.

Onerous contracts

A provision for onerous contracts is recognized when the unavoidable costs of meeting our obligations under a contract exceed the expected benefits to be received under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of completing the contract.

Judgments

Post-employment benefit plans

The determination of the discount rate used to value our post-employment benefit obligations requires judgment. The rate is set by reference to market yields of long-term, high-quality corporate fixed income investments at the beginning of each fiscal year. Significant judgment is required when setting the criteria for fixed income investments to be included in the population from which the yield curve is derived. The most significant criteria considered for the selection of investments include the size of the issue and credit quality, along with the identification of outliers, which are excluded.

Income taxes

The calculation of income taxes requires judgment in interpreting tax rules and regulations. There are transactions and calculations for which the ultimate tax determination is uncertain. Our tax filings are also subject to audits, the outcome of which could change the amount of current and deferred tax assets and liabilities.

Management judgment is used to determine the amounts of deferred tax assets and liabilities to be recognized. In particular, judgment is required when assessing the timing of the reversal of temporary differences to which future income tax rates are applied.

Leases

The application of IFRS 16 requires us to make judgments that affect the measurement of right-of-use assets and liabilities. A lease contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception of the contract, we assess whether the contract contains an identified asset, whether we have the right to obtain substantially all of the economic benefits from use of the asset and whether we have the right to direct how and for what purpose the asset is used. In determining the lease term, we include periods covered by renewal options when we are reasonably certain to exercise those options. Similarly, we include periods covered by termination options when we are reasonably certain not to exercise those options. To assess if we are reasonably certain to exercise an option, we consider all facts and circumstances that create an economic incentive to exercise renewal options (or not exercise termination options).

Economic incentives include the costs related to the termination of the lease, the significance of any leasehold improvements and the importance of the underlying assets to our operations.

Revenue from contracts with customers

The identification of performance obligations within a contract and the timing of satisfaction of performance obligations under long-term contracts requires judgment. Additionally, the determination of costs to obtain a contract, including the identification of incremental costs, also requires judgment.

CGUs

The determination of CGUs or groups of CGUs for the purpose of impairment testing requires judgment.

Contingencies

The determination of whether a loss is probable from claims and legal proceedings and whether an outflow of resources is likely requires judgment.

T) Future changes to accounting standards

The following accounting standard and amendments to accounting standards issued by the IASB have not yet been adopted by BCE.

Standard	Description	Impact	Effective date
IFRS 18 – *Presentation and Disclosure in Financial Statements*	Sets out requirements and guidance on presentation and disclosure in financial statements, including: • presentation in the income statements of income and expenses within defined categories - operating, investing, financing, income taxes and discontinued operations • presentation in the income statements of new defined subtotals - operating profit and profit before financing and income taxes • disclosure of explanations of management-defined performance measures that are related to the income statements • enhanced guidance on aggregation and disaggregation of information and whether to provide information in the financial statements or in the notes • disclosure of specified expenses by nature IFRS 18 replaces IAS 1 - *Presentation of Financial Statements* but carries forward many of the requirements from IAS 1 unchanged.	We are currently assessing the impact of this standard.	Annual reporting periods beginning on or after January 1, 2027. Early application is permitted.
Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	In particular, the amendments clarify: • the classification of financial assets with environmental, social and corporate governance and similar features • the derecognition date for financial liabilities and introduce an accounting policy option for financial liabilities settled using an electronic payment system if certain conditions are met The amendments also require additional disclosures for financial instruments with contractual terms that reference a contingent event and equity instruments classified at fair value through other comprehensive income.	These amendments will not have a significant impact on our financial statements.	Annual reporting periods beginning on or after January 1, 2026.

Note 3 Segmented information

The accounting policies used in our segment reporting are the same as those we describe in Note 2, *Material accounting policies*. Our segments reflect how we manage our business and how we classify our operations for planning and measuring performance. Accordingly, we operate and manage our segments as strategic business units organized by products and services. Segments negotiate sales with each other as if they were unrelated parties.

We measure the performance of each segment based on adjusted EBITDA, which is equal to operating revenues less operating costs for the segment. Substantially all of our severance, acquisition and other costs, depreciation and amortization, finance costs and other income (expense) are managed on a corporate basis and, accordingly, are not reflected in segment results.

On August 1, 2025, Bell Canada acquired Ziply Fiber, the leading fibre Internet provider in the Pacific Northwest of the U.S. providing wireline, Internet and TV services to residential, business and wholesale customers in this region. The results from the acquired Ziply Fiber operations are included in a new segment, Bell CTS U.S., from the date of acquisition.

Our results are subsequently reported in three segments: Bell CTS Canada, Bell CTS U.S. and Bell Media.

Substantially all of our operations and assets under our Bell CTS Canada and Bell Media segments are located in Canada. The operations and assets of our Bell CTS U.S. segment are located in the U.S.

Our Bell CTS Canada segment provides a wide range of communication products and services to consumer, business and government customers across Canada. Wireless products and services include mobile data and voice plans, streaming services, and devices and are available nationally. Wireline products and services comprise data (including Internet access, Internet protocol television (IPTV), cloud-based services, AI-driven solutions and business solutions), voice, streaming services, and other communication services and products, which are available to our residential, small and medium-sized business and large enterprise customers primarily in Ontario, Québec, the Atlantic provinces and Manitoba, while satellite TV service and connectivity to business customers are available nationally across Canada. In addition, this segment includes our wholesale business, which buys and sells local telephone, long distance, data and other services from or to resellers and other carriers, as well as, in 2024, the results of operations of our national consumer electronics retailer, The Source (Bell) Electronics Inc. (The Source). In 2024, Bell wound down The Source head office and back office operations, as well as closed 107 The Source stores.

Our Bell CTS U.S. segment, comprised of Ziply Fiber, provides wireline communication products and services over a combined fibre-based and copper-based network, to residential, business and wholesale customers in the Pacific Northwest of the U.S. Wireline products and services consist of data (including broadband Internet with varying speeds and value-added features, commercial ethernet, dedicated Internet-non-switched access and other data transport networking options) and voice (traditional and voice over Internet protocol (VoIP) voice services, including local, long distance, and unified communications as a service (UCaaS) and Video (IPTV)).

Our Bell Media segment holds a portfolio of assets providing premium video, audio, OOH advertising, and digital media services to customers nationally across Canada.

Segmented information

For the year ended December 31, 2025	Note	Bell CTS Canada [1]	Bell CTS U.S. [2]	Bell CTS	Bell Media	Inter-segment eliminations	BCE
Operating revenues							
External service revenues		**18,000**	**392**	**18,392**	**2,815**	**—**	**21,207**
Inter-segment service revenues		**28**	**—**	**28**	**339**	**(367)**	**—**
Operating service revenues		**18,028**	**392**	**18,420**	**3,154**	**(367)**	**21,207**
External/operating product revenues		**3,261**	**—**	**3,261**	**—**	**—**	**3,261**
Total external revenues		**21,261**	**392**	**21,653**	**2,815**	**—**	**24,468**
Total inter-segment revenues		**28**	**—**	**28**	**339**	**(367)**	**—**
Total operating revenues [3]		**21,289**	**392**	**21,681**	**3,154**	**(367)**	**24,468**
Operating costs	5	**(11,584)**	**(221)**	**(11,805)**	**(2,372)**	**367**	**(13,810)**
Adjusted EBITDA [4]		**9,705**	**171**	**9,876**	**782**	**—**	**10,658**
Severance, acquisition and other costs	6						**(517)**
Depreciation and amortization	18, 20						**(5,238)**
Finance costs							
Interest expense	7						**(1,775)**
Net return on post-employment benefit plans	28						**102**
Impairment of assets	8						**(1,027)**
Net gains on investments	9						**5,217**
Other income	10						**287**
Income taxes	11						**(1,193)**
Net earnings							**6,514**
Property, plant and equipment	18	**28,402**	**4,114**	**32,516**	**1,025**	**—**	**33,541**
Finite-life intangible assets	20	**6,007**	**862**	**6,869**	**952**	**—**	**7,821**
Indefinite-life intangible assets	20	**8,574**	**261**	**8,835**	**578**	**—**	**9,413**
Goodwill	23	**8,286**	**3,003**	**11,289**	**1,942**	**—**	**13,231**
Capital expenditures		**3,153**	**388**	**3,541**	**159**	**—**	**3,700**

(1) *Includes all subsidiaries of Bell CTS with the exception of Ziply Fiber and its subsidiaries.*
(2) *Includes the results of Ziply Fiber exclusively.*
(3) *Revenues from Bell CTS Canada and Bell Media are substantially generated in Canada and revenues from Bell CTS U.S. are generated in the U.S.*
(4) *The chief operating decision maker uses primarily one measure of profit to make decisions and assess performance, being operating revenues less operating costs.*

For the year ended December 31, 2024	Note	Bell CTS	Bell Media	Inter-segment eliminations	BCE
Operating revenues					
External service revenues		18,256	2,817	—	21,073
Inter-segment service revenues		27	334	(361)	—
Operating service revenues		18,283	3,151	(361)	21,073
External/operating product revenues		3,336	—	—	3,336
Total external revenues		21,592	2,817	—	24,409
Total inter-segment revenues		27	334	(361)	—
Total operating revenues [1]		21,619	3,151	(361)	24,409
Operating costs	5	(11,788)	(2,393)	361	(13,820)
Adjusted EBITDA [2]		9,831	758	—	10,589
Severance, acquisition and other costs	6				(454)
Depreciation and amortization	18, 20				(5,041)
Finance costs					
Interest expense	7				(1,713)
Net return on post-employment benefit plans	28				66
Impairment of assets	8				(2,190)
Net gains on investments	9				57
Other expense [3]	10				(362)
Income taxes	11				(577)
Net earnings					375
Property, plant and equipment	18	28,880	1,121	—	30,001
Finite-life intangible assets	20	6,157	887	—	7,044
Indefinite-life intangible assets	20	8,611	1,131	—	9,742
Goodwill	23	8,266	1,995	—	10,261
Capital expenditures		3,746	151	—	3,897

(1) *In 2024, we had two segments, Bell CTS and Bell Media, and their revenues were substantially generated in Canada.*
(2) *The chief operating decision maker uses primarily one measure of profit to make decisions and assess performance, being operating revenues less operating costs.*
(3) *We have presented amounts from the previous period to make them consistent with the presentation for the current period.*

Revenues by services and products

The following table presents our revenues disaggregated by type of services and products by segment.

For the year ended December 31	2025	2024
Services [1]		
Wireless voice and data	**7,053**	7,136
Wireline data [2]	**8,439**	8,117
Wireline voice [3]	**2,520**	2,672
Media [4]	**2,882**	2,830
Other wireline services	**313**	318
Total services	**21,207**	21,073
Products [5]		
Wireless	**2,634**	2,715
Wireline [6]	**627**	621
Total products	**3,261**	3,336
Total operating revenues	**24,468**	24,409

(1) *Our service revenues are generally recognized over time.*
(2) *Wireline data for the year ended December 31, 2025 includes $322 million of revenues from Bell CTS U.S.*
(3) *Wireline voice for the year ended December 31, 2025 includes $70 million of revenues from Bell CTS U.S.*
(4) *Includes Crave direct-to-consumer revenues.*
(5) *Our product revenues are generally recognized at a point in time.*
(6) *Included in the year ended December 31, 2025 is revenue from a finance lease related to our first artificial intelligence (AI) facility.*

Note 4 Business acquisitions and disposition

2025

Acquisition of Ziply Fiber

On August 1, 2025, Bell Canada completed the acquisition of Ziply Fiber, the leading fibre Internet provider in the Pacific Northwest of the U.S., for cash consideration of $3.64 billion in U.S. dollars ($5.01 billion in Canadian dollars). This transaction is expected to enhance Bell Canada's growth profile and strategic position by giving it a foothold in the large, underpenetrated U.S. fibre market, while increasing its scale, diversifying its operating footprint and unlocking significant growth opportunities. The results of Ziply Fiber are included in our Bell CTS U.S. segment.

The allocation of the purchase price of Ziply Fiber includes provisional estimates, in particular for property, plant and equipment and intangible assets.

The following table summarizes the fair value of the consideration paid and the fair value assigned to each major class of assets and liabilities and reflects adjustments to provisional estimates presented in Q3 2025, primarily for property, plant and equipment, intangible assets and deferred tax liabilities.

	Total
Cash consideration paid [1]	**5,013**
Deemed settlement of loan [2]	**103**
Total cost to be allocated	**5,116**
Trade and other receivables	**96**
Prepaid expenses	**43**
Property, plant and equipment [3]	**3,945**
Finite-life intangible assets [4]	**873**
Indefinite-life intangible assets	**263**
Post-employment benefit assets	**20**
Trade payables and other liabilities	**(207)**
Contract liabilities	**(44)**
Debt due within one year [5]	**(3)**
Long-term debt [5]	**(2,754)**
Deferred tax liabilities	**(257)**
Post-employment benefit obligations	**(43)**
Other non-current liabilities	**(4)**
	1,928
Cash and cash equivalents	**166**
Fair value of net assets acquired	**2,094**
Goodwill [6]	**3,022**

(1) *Reflects a net gain of $7 million from the settlement of foreign exchange forwards and cash designated to hedge the Ziply Fiber acquisition cost. See Note 30,* Financial and capital management*, for additional details.*
(2) *On June 25, 2025, Bell Canada entered into an agreement to loan Ziply Fiber up to $150 million in U.S. dollars. On July 30, 2025, a first loan draw of $75 million in U.S. dollars ($103 million in Canadian dollars) was made by Ziply Fiber.*
(3) *Consists of network infrastructure and equipment of $2,973 million, land and buildings of $537 million and assets under construction of $435 million.*
(4) *Consists mainly of customer relationships.*
(5) *See Note 26,* Long-term debt*, for additional details.*
(6) *Goodwill arises principally from expected synergies and future growth, of which approximately $1,584 million is deductible for tax purposes. Goodwill was allocated to our Bell CTS U.S. group of CGUs.*

Operating revenues of $392 million from Ziply Fiber are included in the income statements for the year ended December 31, 2025. BCE's operating revenues for the year ended December 31, 2025 would have been $25,019 million had the acquisition of Ziply Fiber occurred on January 1, 2025. A net loss of $87 million from Ziply Fiber is included in the income statements for the year ended December 31, 2025 and reflects early debt redemption costs of $109 million, before taxes. See Note 26, *Long-term debt* for additional details. BCE's net earnings for the year ended December 31, 2025 would have been $6,496 million had the acquisition of Ziply Fiber occurred on January 1, 2025. These proforma amounts reflect the purchase price allocation.

2024

Acquisition of OUTFRONT Media's Canadian out-of-home media business

On June 7, 2024, Bell Media completed the acquisition of OUTFRONT Media Inc.'s Canadian OOH media business, OUTEDGE Media Canada (OUTEDGE), for cash consideration of $429 million ($418 million net of cash acquired). The acquisition of OUTEDGE is expected to support Bell Media's digital media strategy and to deliver multi-channel marketing solutions across Canada. The results of OUTEDGE are included in our Bell Media segment.

Pursuant to a consent agreement negotiated with the Competition Bureau, in April 2025, Bell Media disposed of 669 advertising displays in Québec and Ontario for proceeds of $14 million.

The following table summarizes the fair value of the consideration paid and the fair value assigned to each major class of assets and liabilities and reflects adjustments to provisional estimates presented in 2024, primarily for property, plant and equipment and deferred tax liabilities.

	Total
Cash consideration paid	429
Total cost to be allocated	429
Trade and other receivables	40
Other non-cash working capital	7
Assets held for sale	16
Property, plant and equipment	290
Finite-life intangible assets	17
Other non-current assets	30
Trade payables and other liabilities	(12)
Contract liabilities	(1)
Debt due within one year	(20)
Liabilities held for sale	(10)
Long-term debt	(100)
Deferred tax liabilities	(41)
Other non-current liabilities	(7)
	209
Cash and cash equivalents	11
Fair value of net assets acquired	220
Goodwill [(1)]	209

(1) *Goodwill arises principally from expected synergies and future growth and is not deductible for tax purposes. Goodwill was allocated to our Bell Media group of CGUs.*

Operating revenues of $65 million from OUTEDGE are included in the income statements for the year ended December 31, 2024. BCE's operating revenues for the year ended December 31, 2024 would have been $24,457 million had the acquisition of OUTEDGE occurred on January 1, 2024. This pro forma amount reflects the elimination of intercompany transactions and the purchase price allocation. The transaction did not have a significant impact on our net earnings for the year ended December 31, 2024 and the impact on our net earnings would not have been significant had the acquisition occurred on January 1, 2024.

Acquisition of Stratejm

On July 2, 2024, Bell Canada acquired Stratejm Inc. (Stratejm) for cash consideration of $78 million ($73 million net of cash acquired) and additional cash consideration contingent on the achievement of certain performance objectives. This contingent consideration is expected to be settled by 2027 and the maximum amount payable is $20 million. Stratejm leverages artificial intelligence through end-to-end Security-as-a-Service solutions, real-time threat detection and response, and streamlining incident management processes. The results of Stratejm are included in our Bell CTS Canada segment.

The following table summarizes the fair value of the consideration paid and the fair value assigned to each major class of assets and liabilities and reflects adjustments to provisional estimates presented in 2024, primarily for finite-life intangible assets.

	Total
Cash consideration paid	78
Contingent consideration [1]	11
Total cost to be allocated	89
Trade and other receivables	6
Other non-cash working capital	2
Finite-life intangible assets	21
Other non-current assets	1
Trade payables and other liabilities	(3)
Contract liabilities	(7)
Deferred tax liabilities	(6)
	14
Cash and cash equivalents	5
Fair value of net assets acquired	19
Goodwill [2]	70

(1) *The fair value of contingent consideration at the date of acquisition was estimated to be $11 million ($17 million at December 31, 2025).*
(2) *Goodwill arises principally from expected synergies and future growth and is not deductible for tax purposes. Goodwill was allocated to our Bell CTS Canada group of CGUs.*

Operating revenues of $10 million from Stratejm are included in the income statements for the year ended December 31, 2024. BCE's operating revenues for the year ended December 31, 2024 would have been $24,421 million had the acquisition of Stratejm occurred on January 1, 2024. This pro forma amount reflects the elimination of intercompany transactions and the purchase price allocation. The transaction did not have a significant impact on our net earnings for the year ended December 31, 2024 and the impact on our net earnings would not have been significant had the acquisition occurred on January 1, 2024.

Proposed disposition of Northwestel

In June 2024, Bell Canada entered into an agreement for the disposition of Northwestel Inc. (Northwestel) to Sixty North Unity, a consortium of Indigenous communities from the Yukon, the Northwest Territories and Nunavut, for up to $1 billion, subject to adjustments. We previously expected this transaction to close in 2025 and we continue to work with Sixty North Unity to close the transaction in 2026. The transaction remains subject to certain closing conditions, including securing financing by Sixty North Unity and, as such, there can be no assurance that the transaction will ultimately be consummated. The results of Northwestel are included in our Bell CTS Canada segment.

Note 5 Operating costs

For the year ended December 31	Note	2025	2024
Labour costs			
Wages, salaries and related taxes and benefits		**(3,992)**	(4,134)
Post-employment benefit plans service cost (net of capitalized amounts)	28	**(198)**	(208)
Other labour costs [1]		**(883)**	(987)
Less:			
Capitalized labour		**1,094**	1,130
Total labour costs		**(3,979)**	(4,199)
Cost of revenues [2]		**(7,720)**	(7,705)
Other operating costs [3]		**(2,111)**	(1,916)
Total operating costs		**(13,810)**	(13,820)

(1) *Other labour costs include contractor and outsourcing costs.*
(2) *Cost of revenues includes costs of wireless devices and other equipment sold, network and content costs, and payments to other carriers.*
(3) *Other operating costs include marketing, advertising and sales commission costs, bad debt expense, taxes other than income taxes, information technology costs, professional service fees and rent.*

Research and development expenses of $60 million and $66 million are included in operating costs for 2025 and 2024, respectively.

Note 6 Severance, acquisition and other costs

For the year ended December 31	2025	2024
Severance	**(380)**	(383)
Acquisition and other [1]	**(137)**	(71)
Total severance, acquisition and other costs	**(517)**	(454)

(1) *Includes acquisition costs of $67 million relating to the acquisition of Ziply Fiber. See Note 4,* Business acquisitions and disposition, *for additional details.*

Severance costs

Severance costs consist of charges related to involuntary and voluntary employee terminations.

Acquisition and other costs

Acquisition and other costs consist of transaction costs, such as legal and financial advisory fees, related to completed or potential acquisitions, employee severance costs related to the purchase of a business, the costs to integrate acquired companies into our operations, costs relating to litigation and regulatory decisions, when they are significant, and other costs.

Note 7 Interest expense

For the year ended December 31	2025	2024
Interest expense on long-term debt	**(1,718)**	(1,623)
Interest expense on other debt	**(179)**	(233)
Capitalized interest	**122**	143
Total interest expense	**(1,775)**	(1,713)

Included in interest expense on long-term debt is interest on lease liabilities of $194 million and $218 million for 2025 and 2024, respectively.

Capitalized interest was calculated using an average rate of 4.6% and 4.5% for 2025 and 2024, respectively, which represents the weighted average interest rate on our outstanding long-term debt.

Note 8 Impairment of assets

2025

During the third quarter of 2025, we identified indicators of impairment for our Bell Media TV services, radio markets and OOH advertising business, due to a decline in legacy advertising demand and spending in the linear advertising market as we transition to digital. Accordingly, impairment testing was required for certain groups of CGUs as well as for goodwill for the Bell Media group of CGUs.

We recognized $976 million of impairment charges for English and French TV services, radio markets and our OOH advertising business within our Bell Media segment. These charges included $554 million allocated to indefinite-life intangible assets for broadcast licences, spectrum and other licences and brands, $250 million allocated to program and feature film rights, $103 million allocated to property, plant and equipment for network, infrastructure and equipment and assets under construction, $47 million allocated to software, $18 million allocated to prepaid expenses and inventory, and $4 million allocated to finite-life intangible assets mainly for trademarks. The impairment was determined by comparing the carrying value of the CGUs to their fair value less cost of disposal. We estimated the fair value of the CGUs using discounted cash flows and market-based valuation models, which include five-year cash flow projections derived from business plans reviewed by senior management for the period of September 1, 2025 to December 31, 2030, using discount rates of 9% to 11% and perpetuity growth rates of (2%) to 2%, as well as market multiple data from public companies and market transactions. A negative change to any of these assumptions and projections may result in further impairment charges for certain groups of CGUs. After impairments, the carrying value of the impacted CGUs was $352 million.

There was no impairment of Bell Media goodwill. See Note 23, *Goodwill*, for further details.

We recorded $51 million of additional impairment charges in 2025 related to various assets within our Bell CTS Canada segment.

2024

During the third quarter of 2024, we identified indicators of impairment for our Bell Media TV services and radio markets, due to a further decline in advertising demand and spending in the linear advertising market. Accordingly, impairment testing was required for certain groups of CGUs as well as for goodwill for the Bell Media group of CGUs.

We recognized $958 million of impairment charges for English and French TV services and radio markets within our Bell Media segment. These charges included $627 million allocated to indefinite-life intangible assets for broadcast licences and brands, $144 million allocated to program and feature film rights, $85 million allocated to property, plant and equipment for network and infrastructure and equipment, $85 million allocated to software, $10 million allocated to finite-life intangible assets mainly for trademarks, and $7 million allocated to prepaid expenses. The impairment was determined by comparing the carrying value of the CGUs to their fair value less cost of disposal. We estimated the fair value of the CGUs using both discounted cash flows and market-based valuation models, which include five-year cash flow projections derived from business plans reviewed by senior management for the period of September 1, 2024 to December 31, 2029, using discount rates of 9% to 11% and perpetuity growth rates of (2%) to 0%, as well as market multiple data from public companies and market transactions. After impairments, the carrying value of the impacted CGUs was $811 million.

In Q3 2024, we recorded $1,132 million of impairment charges for goodwill. See Note 23, *Goodwill*, for further details.

Additionally in 2024, we recorded impairment charges of $100 million related mainly to right-of-use assets for certain office spaces we ceased using as part of our real estate optimization strategy as a result of our hybrid work policy.

Note 9 Net gains on investments

2025

In 2025, BCE completed the previously announced sale of substantially all of its home security and monitored alarm assets to a.p.i. ALARM Inc. for $170 million. We have received proceeds of $65 million and expect to receive $25 million in 2027 and up to $80 million will also be received in 2027 contingent on the achievement of certain performance objectives. A gain on sale of $57 million was recorded. See Note 17, *Assets and liabilities held for sale*, for additional details.

In 2025, BCE completed the previously announced disposition of its minority stake in Maple Leaf Sports and Entertainment Ltd. (MLSE). We recorded gross proceeds of $4.7 billion and an income tax liability of $542 million. A gain on sale of $5.2 billion was recorded. See Note 17, *Assets and liabilities held for sale*, for additional details.

2024

In 2024, we recorded a gain on investment of $69 million related to an obligation to repurchase at fair value the minority interest in one of our subsidiaries.

Note 10 Other income (expense)

For the year ended December 31	Note	2025	2024
Net early debt redemption gains	26	**249**	—
Interest income		**79**	123
Equity income (losses) from investments in associates and joint ventures	17, 21		
Loss on investment		**—**	(247)
Operations		**8**	10
Losses on retirements and disposals of property, plant and equipment and intangible assets		**(26)**	(38)
Net mark-to-market losses on derivatives used to economically hedge equity settled share-based compensation plans	30	**(9)**	(269)
Other		**(14)**	59
Total other income (expense)		**287**	(362)

Equity income (losses) from investments in associates and joint ventures

We recorded a loss on investment of $247 million in 2024, related to equity losses on our share of an obligation to repurchase at fair value the minority interest in MLSE. See Note 17, *Assets and liabilities held for sale*, for additional details.

Note 11 Income taxes

The following table shows the significant components of income taxes deducted from net earnings.

For the year ended December 31	2025	2024
Current taxes		
Current taxes	**(1,084)**	(494)
Uncertain tax positions	**22**	4
Change in estimate relating to prior periods	**11**	8
Deferred taxes		
Deferred taxes relating to the origination and reversal of temporary differences	**(216)**	(120)
Change in estimate relating to prior periods	**(11)**	(7)
Recognition and utilization of loss carryforwards	**85**	29
Previously unrecognized tax benefits	**—**	3
Total income taxes	**(1,193)**	(577)

The following table reconciles the amount of reported income taxes in the income statements with income taxes calculated at a statutory income tax rate of 26.8% for both 2025 and 2024.

For the year ended December 31	2025	2024
Net earnings	**6,514**	375
Add back income taxes	**1,193**	577
Earnings before income taxes	**7,707**	952
Applicable statutory tax rate	**26.8%**	26.8%
Income taxes computed at applicable statutory rates	**(2,065)**	(255)
Non-taxable portion of net gains on investments	**850**	18
Uncertain tax positions	**22**	4
Impairment of goodwill	**—**	(303)
Change in estimate relating to prior periods	**—**	1
Non-taxable portion of equity losses	**—**	(66)
Previously unrecognized tax benefits	**—**	3
Other	**—**	21
Total income taxes	**(1,193)**	(577)
Average effective tax rate	**15.5%**	60.6%

The following table shows aggregate current and deferred taxes relating to items recognized outside the income statements.

For the year ended December 31	2025		2024	
	Other comprehensive income	Deficit	Other comprehensive income	Deficit
Current taxes	**—**	**1**	—	—
Deferred taxes	**(464)**	**1**	(128)	(26)
Total income taxes (expense) recovery	**(464)**	**2**	(128)	(26)

The following table shows deferred taxes resulting from temporary differences between the carrying amounts of assets and liabilities recognized in the statements of financial position and their corresponding tax basis, as well as tax loss carryforwards.

Net deferred tax liability	Non-capital loss carry-forwards	Post-employment benefit plans	Indefinite-life intangible assets	Property, plant and equipment and finite-life intangible assets [1]	Lease liabilities [1]	Other	Total
January 1, 2024	36	(443)	(1,805)	(4,069)	1,288	220	(4,773)
Income statements	31	25	148	(213)	(102)	16	(95)
Business acquisitions	—	(3)	(5)	(116)	32	(2)	(94)
Other comprehensive (loss) income	—	(213)	—	—	—	85	(128)
Deficit	—	—	—	—	—	(26)	(26)
Reclassified to liabilities (assets) held for sale	—	—	—	3	(3)	—	—
Other	6	—	—	2	—	—	8
December 31, 2024	73	(634)	(1,662)	(4,393)	1,215	293	(5,108)
Income statements	**84**	**12**	**90**	**(167)**	**(88)**	**(73)**	**(142)**
Business acquisitions	**243**	**20**	**(37)**	**(520)**	**12**	**64**	**(218)**
Other comprehensive loss	**—**	**(229)**	**—**	**—**	**—**	**(235)**	**(464)**
Deficit	**—**	**—**	**—**	**—**	**—**	**1**	**1**
Net foreign exchange differences	**(3)**	**—**	**—**	**5**	**—**	**—**	**2**
Reclassified to liabilities (assets) held for sale	**—**	**—**	**—**	**2**	**(2)**	**—**	**—**
Other	**—**	**—**	**(4)**	**(3)**	**—**	**9**	**2**
December 31, 2025	**397**	**(831)**	**(1,613)**	**(5,076)**	**1,137**	**59**	**(5,927)**

(1) *We have presented amounts from the previous period to make them consistent with the presentation of the current period.*

At December 31, 2025, BCE had $1,636 million of non-capital loss carryforwards. We:

- recognized a deferred tax asset of $397 million for $1,632 million of the non-capital loss carryforwards. These non-capital loss carryforwards expire in varying annual amounts from 2036 to indefinitely.
- did not recognize a deferred tax asset for $4 million of non-capital loss carryforwards. This balance expires in varying annual amounts from 2033 to 2045.

At December 31, 2025, BCE had $54 million of unrecognized capital loss carryforwards, which can be carried forward indefinitely.

At December 31, 2024, BCE had $281 million of non-capital loss carryforwards. We:

- recognized a deferred tax asset of $73 million for $277 million of the non-capital loss carryforwards. These non-capital loss carryforwards expire in varying annual amounts from 2036 to 2044.
- did not recognize a deferred tax asset for $4 million of non-capital loss carryforwards. This balance expires in varying annual amounts from 2036 to 2044.

At December 31, 2024, BCE had $55 million of unrecognized capital loss carryforwards, which can be carried forward indefinitely.

Note 12 Earnings per share

The following table shows the components used in the calculation of basic and diluted net earnings per common share for earnings attributable to common shareholders.

For the year ended December 31	2025	2024
Net earnings attributable to common shareholders - basic	**6,305**	163
Dividends declared per common share (in dollars)	**2.31**	3.99
Weighted average number of common shares outstanding (in millions)		
Weighted average number of common shares outstanding - basic	**929.1**	912.3
Assumed exercise of stock options [1]	**—**	—
Weighted average number of common shares outstanding - diluted (in millions)	**929.1**	912.3

(1) *The calculation of the assumed exercise of stock options includes the effect of the average unrecognized future compensation cost of dilutive options. It excludes options for which the exercise price is higher than the average market value of a BCE common share. The number of excluded options was 5,503,174 in 2025 and 6,545,819 in 2024.*

Note 13 Trade and other receivables

For the year ended December 31	Note	2025	2024
Trade receivables [1]		**4,113**	4,305
Allowance for revenue adjustments		**(158)**	(191)
Allowance for doubtful accounts	30	**(164)**	(120)
Current tax receivable		**348**	112
Commodity taxes receivable		**10**	7
Other accounts receivable		**325**	376
Total trade and other receivables		**4,474**	4,489

(1) *The details of securitized receivables are set out in Note 25,* Debt due within one year.

Wireless device financing plan receivables

Wireless device financing plan receivables represent amounts owed to us under financing agreements that have not yet been billed. The current portion of these balances is included in *Trade receivables* within the *Trade and other receivables* line item on our statements of financial position and the long-term portion is included within the *Other non-current assets* line item on our statements of financial position.

The following table summarizes our wireless device financing plan receivables.

For the year ended December 31	Note	2025	2024
Current		**1,076**	1,063
Non-current	22	**399**	410
Total wireless device financing plan receivables [1]		**1,475**	1,473

(1) *Excludes allowance for doubtful accounts and allowance for revenue adjustments on the current portion of $39 million and $45 million at December 31, 2025 and December 31, 2024, respectively, and allowance for doubtful accounts on the non-current portion of $11 million and $12 million at December 31, 2025 and December 31, 2024, respectively.*

Note 14 Inventory

For the year ended December 31	2025	2024
Wireless devices and accessories	**230**	239
Merchandise and other	**159**	181
Total inventory	**389**	420

The total amount of inventory subsequently recognized as an expense in cost of revenues was $2,988 million and $3,133 million for 2025 and 2024, respectively.

Note 15 Contract assets and liabilities

The table below provides a reconciliation of the significant changes in the contract assets and the contract liabilities balances.

		Contract assets [1]		Contract liabilities	
For the year ended December 31	Note	2025	2024	2025	2024
Opening balance, January 1		**759**	735	**1,124**	1,088
Revenue recognized included in contract liabilities at the beginning of the year		**—**	—	**(856)**	(834)
Revenue recognized from contract liabilities included in contract assets at the beginning of the year		**104**	102	**—**	—
Increase in contract liabilities during the year		**—**	—	**958**	895
Increase in contract liabilities included in contract assets during the year		**(87)**	(108)	**—**	—
Increase in contract assets from revenue recognized during the year		**905**	789	**—**	—
Contract assets transferred to trade receivables		**(692)**	(635)	**15**	20
(Dispositions) acquisitions	4, 17	**(28)**	1	**47**	13
Contract terminations transferred to trade receivables		**(63)**	(62)	**9**	2
Other		**(51)**	(63)	**(51)**	(60)
Ending balance, December 31		**847**	759	**1,246**	1,124

(1) *Net of allowance for doubtful accounts of $12 million and $18 million at December 31, 2025 and December 31, 2024, respectively. See Note 30,* Financial and capital management*, for additional details.*

Note 16 Contract costs

The table below provides a reconciliation of the contract costs balance.

For the year ended December 31	Note	2025	2024
Opening balance, January 1		**1,590**	1,412
Incremental costs of obtaining a contract and contract fulfillment costs		**1,035**	969
Amortization included in operating costs		**(811)**	(791)
Dispositions	17	**(6)**	—
Ending balance, December 31		**1,808**	1,590

Contract costs are amortized over periods ranging from 12 to 84 months.

Note 17 Assets and liabilities held for sale

Bell Media radio stations

In the first half of 2025, Bell Media completed the sale of substantially all of the 45 radio stations and related assets. Proceeds for the stations and other radio related assets are expected to be $53 million, resulting in an expected gain of $6 million to be recorded in the income statements. As of December 31, 2025, Bell Media had received proceeds of $44 million and recorded a gain of $3 million in *Other income (expense)* in the income statements and a loss of $6 million in *Net gains on investments* in the income statements. Completion of the sale is expected in the first half of 2026.

Our results for the years ended December 31, 2025 and 2024 included revenues for these radio stations of $9 million and $35 million and are recorded in the Bell Media segment. The transaction did not have a significant impact on our net earnings for 2025 and 2024.

OUTEDGE advertising displays

On June 7, 2024, Bell Media completed the acquisition of OUTEDGE. Pursuant to a consent agreement negotiated with the Competition Bureau, Bell Media was required to dispose of 669 advertising displays in Québec and Ontario. On October 4, 2024, we entered into an agreement to dispose of these advertising displays. In April 2025, Bell Media completed the sale of these advertising displays for net proceeds of $14 million, resulting in a gain of $4 million recorded in *Other income (expense)* in the income statements.

Home security and monitored alarm assets

In Q2 2025, BCE entered into an agreement to sell substantially all of its home security and monitored alarm assets to a.p.i. ALARM Inc. On October 1, 2025, BCE completed the previously announced sale to a.p.i. ALARM Inc. for $170 million. We have received proceeds of $65 million and expect to receive $25 million in 2027 and up to $80 million will also be received in 2027 contingent on the achievement of certain performance objectives. A gain on sale of $57 million was also recorded in *Net gains on investments* in the income statements.

Intangible assets included in assets held for sale were no longer amortized effective June 2025.

Our results for the years ended December 31, 2025 and 2024 included revenues for the home security and monitored alarm assets of $48 million and $69 million, respectively, and are recorded in the Bell CTS Canada segment. The transaction did not have a significant impact on our net earnings for 2025 and 2024.

Minority stake in MLSE

On July 1, 2025, BCE completed the previously announced disposition of its minority stake in MLSE. We recorded gross proceeds of $4.7 billion and an income tax liability of $542 million. A gain on sale of $5.2 billion was also recorded in *Net gains on investments* in the income statements.

Included in liabilities held for sale in our statements of financial position at December 31, 2024 was a net liability of $493 million which reflects BCE's share of an obligation to repurchase at fair value the minority interest in MLSE. As of September 18, 2024, BCE no longer recorded equity income or losses from the investment or any changes to the fair value of the obligation to repurchase the minority interest in MLSE.

Our results for the year ended December 31, 2024 included equity income of $6 million, recorded in *Other income (expense)* in the income statements.

The following table summarizes the carrying value of the assets and liabilities that are classified as held for sale at December 31, 2025 and December 31, 2024.

For the year ended December 31	Note	2025	2024
Assets held for sale:			
Bell Media radio stations			
Property, plant and equipment	18	**—**	12
Intangible assets	20	**—**	26
Goodwill	23	**—**	17
OUTEDGE advertising displays			
Property, plant and equipment	4 , 18	**—**	22
Intangible assets	4 , 20	**—**	3
Other			
Trade and other receivables		**3**	—
Property, plant and equipment	18	**3**	—
Intangible assets	20	**1**	—
Total assets held for sale		**7**	80
Liabilities held for sale:			
Minority stake in MLSE	10	**—**	493
Bell Media radio stations			
Long-term debt		**—**	7
Deferred tax liabilities		**—**	6
Other non-current liabilities		**—**	2
OUTEDGE advertising displays			
Debt due within one year		**—**	3
Long-term debt		**—**	18
Other			
Trade payables and other liabilities		**3**	—
Debt due within one year		**4**	—
Long-term debt		**3**	—
Total liabilities held for sale		**10**	529
Net assets held for sale		**(3)**	(449)

Note 18 Property, plant and equipment

For the year ended December 31, 2025	Note	Network infrastructure and equipment [1]	Land and buildings [1]	Assets under construction	Total
Cost					
January 1, 2025		**76,151**	**10,161**	**2,225**	**88,537**
Additions		**1,983**	**515**	**2,080**	**4,578**
Business acquisitions	4	**3,000**	**537**	**435**	**3,972**
Transfers		**1,163**	**3**	**(2,149)**	**(983)**
Retirements and disposals		**(2,791)**	**(109)**	**(5)**	**(2,905)**
Impairment (losses) reversals recognized in earnings	8	**(135)**	**12**	**—**	**(123)**
Reclassified to assets held for sale	17	**(1)**	**(2)**	**—**	**(3)**
Net foreign exchange differences		**(23)**	**(4)**	**(5)**	**(32)**
December 31, 2025		**79,347**	**11,113**	**2,581**	**93,041**
Accumulated depreciation					
January 1, 2025		**52,681**	**5,855**	**—**	**58,536**
Depreciation		**3,319**	**542**	**—**	**3,861**
Retirements and disposals		**(2,764)**	**(80)**	**—**	**(2,844)**
Transfers		**9**	**(15)**	**—**	**(6)**
Net foreign exchange differences		**(1)**	**—**	**—**	**(1)**
Other		**(40)**	**(6)**	**—**	**(46)**
December 31, 2025		**53,204**	**6,296**	**—**	**59,500**
Net carrying amount					
January 1, 2025		**23,470**	**4,306**	**2,225**	**30,001**
December 31, 2025		**26,143**	**4,817**	**2,581**	**33,541**

(1) *Includes right-of-use assets. See Note 19,* Leases, *for additional details.*

For the year ended December 31, 2024	Note	Network infrastructure and equipment [1]	Land and buildings [1]	Assets under construction	Total
Cost					
January 1, 2024		74,676	9,805	2,355	86,836
Additions		2,092	430	2,107	4,629
Business acquisitions	4	72	184	10	266
Transfers		881	79	(2,239)	(1,279)
Retirements and disposals		(1,484)	(232)	(8)	(1,724)
Impairment losses recognized in earnings	8	(85)	(95)	—	(180)
Reclassified to assets held for sale	17	(1)	(10)	—	(11)
December 31, 2024		76,151	10,161	2,225	88,537
Accumulated depreciation					
January 1, 2024		50,926	5,558	—	56,484
Depreciation		3,245	513	—	3,758
Retirements and disposals		(1,447)	(214)	—	(1,661)
Other		(43)	(2)	—	(45)
December 31, 2024		52,681	5,855	—	58,536
Net carrying amount					
January 1, 2024		23,750	4,247	2,355	30,352
December 31, 2024		23,470	4,306	2,225	30,001

(1) *Includes right-of-use assets. See Note 19,* Leases, *for additional details.*

Note 19 Leases

Right-of-use assets

BCE's significant right-of-use assets under leases are satellites, office premises, land, cellular tower sites, retail outlets and OOH advertising spaces. Right-of-use assets are presented in *Property, plant and equipment* in the statements of financial position.

For the year ended December 31, 2025	Note	Network infrastructure and equipment	Land and buildings	Total
Cost				
January 1, 2025		**4,421**	**4,999**	**9,420**
Additions		**379**	**473**	**852**
Transfers		**(282)**	**(93)**	**(375)**
Business acquisitions		**—**	**52**	**52**
Lease terminations		**(668)**	**(56)**	**(724)**
Impairment (losses) reversals recognized in earnings	8	**(8)**	**17**	**9**
Reclassified to assets held for sale	17	**—**	**(2)**	**(2)**
December 31, 2025		**3,842**	**5,390**	**9,232**
Accumulated depreciation				
January 1, 2025		**2,397**	**2,470**	**4,867**
Depreciation		**461**	**413**	**874**
Transfers		**(141)**	**(20)**	**(161)**
Lease terminations		**(660)**	**(29)**	**(689)**
December 31, 2025		**2,057**	**2,834**	**4,891**
Net carrying amount				
January 1, 2025		**2,024**	**2,529**	**4,553**
December 31, 2025		**1,785**	**2,556**	**4,341**

For the year ended December 31, 2024	Note	Network infrastructure and equipment	Land and buildings	Total
Cost				
January 1, 2024		4,271	4,774	9,045
Additions		444	327	771
Transfers		(245)	(5)	(250)
Business acquisitions		—	140	140
Lease terminations		(49)	(141)	(190)
Impairment losses recognized in earnings	8	—	(86)	(86)
Reclassified to assets held for sale	17	—	(10)	(10)
December 31, 2024		4,421	4,999	9,420
Accumulated depreciation				
January 1, 2024		2,103	2,216	4,319
Depreciation		464	384	848
Transfers		(135)	2	(133)
Lease terminations		(35)	(132)	(167)
December 31, 2024		2,397	2,470	4,867
Net carrying amount				
January 1, 2024		2,168	2,558	4,726
December 31, 2024		2,024	2,529	4,553

Leases in net earnings

The following table provides the expenses related to leases recognized in net earnings.

For the year ended December 31	2025	2024
Interest expense on lease liabilities	**194**	218
Variable lease payment expenses not included in the measurement of lease liabilities	**112**	116
Expenses for leases of low value assets	**77**	69
Expenses for short-term leases	**31**	31

Leases in the statements of cash flows

Total cash outflow related to leases was $1,537 million and $1,567 million for the year ended December 31, 2025 and December 31, 2024, respectively.

Principal lease payments

Total principal payment on lease liabilities included in *Repayment of long-term debt* in the consolidated statements of cash flows (statements of cash flows) was $1,127 million and $1,142 million for the years ended December 31, 2025 and 2024, respectively.

Additional disclosures

See Note 25, *Debt due within one year,* and Note 26, *Long-term debt,* for lease liabilities balances included in the statements of financial position.

See Note 30, *Financial and capital management,* for a maturity analysis of lease liabilities.

See Note 35, *Commitments and contingencies,* for leases committed but not yet commenced as at December 31, 2025.

Note 20 Intangible assets

For the year ended December 31, 2025	Note	Finite-life					Indefinite-life				Total intangible assets
		Software	Customer relation-ships	Program and feature film rights	Other	Total	Brands	Spectrum and other licences	Broadcast licences	Total	
Cost											
January 1, 2025		**12,000**	**1,818**	**677**	**514**	**15,009**	**2,387**	**6,500**	**855**	**9,742**	**24,751**
Additions		**332**	**—**	**1,403**	**9**	**1,744**	**—**	**6**	**—**	**6**	**1,750**
Business acquisitions	4	**64**	**834**	**23**	**1**	**922**	**233**	**30**	**—**	**263**	**1,185**
Transfers		**920**	**—**	**—**	**13**	**933**	**(13)**	**—**	**—**	**(13)**	**920**
Retirements and disposals		**(579)**	**(43)**	**—**	**(35)**	**(657)**	**—**	**—**	**—**	**—**	**(657)**
Impairment losses recognized in earnings	8	**(48)**	**(1)**	**(250)**	**(3)**	**(302)**	**(43)**	**(17)**	**(523)**	**(583)**	**(885)**
Amortization included in operating costs		**—**	**—**	**(1,105)**	**—**	**(1,105)**	**—**	**—**	**—**	**—**	**(1,105)**
Net foreign exchange differences		**(1)**	**(5)**	**—**	**—**	**(6)**	**(2)**	**—**	**—**	**(2)**	**(8)**
Reclassified to assets held for sale	17	**—**	**(1)**	**—**	**—**	**(1)**	**—**	**—**	**—**	**—**	**(1)**
December 31, 2025		**12,688**	**2,602**	**748**	**499**	**16,537**	**2,562**	**6,519**	**332**	**9,413**	**25,950**
Accumulated amortization											
January 1, 2025		**6,517**	**1,185**	**—**	**263**	**7,965**	**—**	**—**	**—**	**—**	**7,965**
Amortization		**1,225**	**124**	**—**	**28**	**1,377**	**—**	**—**	**—**	**—**	**1,377**
Transfers		**4**	**—**	**—**	**—**	**4**	**—**	**—**	**—**	**—**	**4**
Retirements and disposals		**(572)**	**(23)**	**—**	**(35)**	**(630)**	**—**	**—**	**—**	**—**	**(630)**
December 31, 2025		**7,174**	**1,286**	**—**	**256**	**8,716**	**—**	**—**	**—**	**—**	**8,716**
Net carrying amount											
January 1, 2025		**5,483**	**633**	**677**	**251**	**7,044**	**2,387**	**6,500**	**855**	**9,742**	**16,786**
December 31, 2025		**5,514**	**1,316**	**748**	**243**	**7,821**	**2,562**	**6,519**	**332**	**9,413**	**17,234**

For the year ended December 31, 2024	Note	Finite-life					Indefinite-life				Total intangible assets
		Software	Customer relation-ships	Program and feature film rights	Other	Total	Brands	Spectrum and other licences	Broadcast licences	Total	
Cost											
January 1, 2024		11,345	1,778	651	521	14,295	2,432	5,949	1,434	9,815	24,110
Additions		317	—	1,328	4	1,649	—	553	—	553	2,202
Business acquisitions	4	4	40	—	—	44	4	1	—	5	49
Transfers		1,279	—	—	—	1,279	—	—	—	—	1,279
Retirements and disposals		(860)	—	—	(1)	(861)	—	—	(1)	(1)	(862)
Impairment losses recognized in earnings	8	(85)	—	(144)	(10)	(239)	(49)	—	(578)	(627)	(866)
Amortization included in operating costs		—	—	(1,158)	—	(1,158)	—	—	—	—	(1,158)
Reclassified to assets held for sale	17	—	—	—	—	—	—	(3)	—	(3)	(3)
December 31, 2024		12,000	1,818	677	514	15,009	2,387	6,500	855	9,742	24,751
Accumulated amortization											
January 1, 2024		6,193	1,089	—	219	7,501	—	—	—	—	7,501
Amortization		1,142	96	—	45	1,283	—	—	—	—	1,283
Retirements and disposals		(818)	—	—	(1)	(819)	—	—	—	—	(819)
December 31, 2024		6,517	1,185	—	263	7,965	—	—	—	—	7,965
Net carrying amount											
January 1, 2024		5,152	689	651	302	6,794	2,432	5,949	1,434	9,815	16,609
December 31, 2024		5,483	633	677	251	7,044	2,387	6,500	855	9,742	16,786

Note 21 Investments in associates and joint ventures

The following tables provide summarized financial information with respect to BCE's associates and joint ventures. For more details on our associates and joint ventures, see Note 36, *Related party transactions.*

Statements of financial position

For the year ended December 31	2025	2024
Assets	**1,473**	1,531
Liabilities	**(730)**	(796)
Total net assets	**743**	735
BCE's share of net assets	**396**	341

Income statements

For the year ended December 31	Note	2025	2024
Revenues		**1,691**	2,426
Expenses		**(1,676)**	(2,906)
Total net gains (losses)		**15**	(480)
BCE's share of net gains (losses)	10	**8**	(237)

Note 22 Other non-current assets

For the year ended December 31	Note	2025	2024
Long-term wireless device financing plan receivables	13	**399**	410
Long-term receivables		**599**	430
Derivative assets	30	**73**	224
Publicly-traded and privately-held investments	30	**1,198**	877
Investments [1]	30	**246**	225
Other		**122**	123
Total other non-current assets		**2,637**	2,289

(1) *These amounts have been pledged as security related to obligations for certain employee benefits and are not available for general use.*

Note 23 Goodwill

The following tables provide details about the changes in the carrying amounts of goodwill for the years ended December 31, 2025 and 2024. BCE's groups of CGUs for purposes of goodwill impairment testing correspond to our reporting segments.

For the year ended December 31, 2025	Note	Bell CTS Canada	Bell CTS U.S.	Bell Media	BCE
Cost					
January 1, 2025		**8,266**	**—**	**3,127**	**11,393**
Acquisitions and disposition	4	**20**	**3,022**	**(53)**	**2,989**
Net foreign exchange differences		**—**	**(19)**	**—**	**(19)**
December 31, 2025		**8,286**	**3,003**	**3,074**	**14,363**
Accumulated impairment					
January 1, 2025		**—**	**—**	**(1,132)**	**(1,132)**
December 31, 2025		**—**	**—**	**(1,132)**	**(1,132)**
Net carrying amount					
January 1, 2025		**8,266**	**—**	**1,995**	**10,261**
December 31, 2025		**8,286**	**3,003**	**1,942**	**13,231**

For the year ended December 31, 2024	Note	Bell CTS	Bell Media	BCE
Cost				
January 1, 2024		8,099	2,843	10,942
Acquisitions	4	167	284	451
December 31, 2024		8,266	3,127	11,393
Accumulated impairment				
January 1, 2024		—	—	—
Impairment losses	8	—	(1,132)	(1,132)
December 31, 2024		—	(1,132)	(1,132)
Net carrying amount				
January 1, 2024		8,099	2,843	10,942
December 31, 2024		8,266	1,995	10,261

Impairment testing

Goodwill is tested for impairment annually in Q4 and also when there is an indication that goodwill might be impaired by comparing the carrying value of a CGU or group of CGUs to its recoverable amount, where the recoverable amount is the higher of fair value less costs of disposal and value in use.

In Q3 2024, due to a continued decline in advertising demand and spending in the linear advertising market for Bell Media TV services and radio markets, there was an indicator that goodwill might be impaired for the Bell Media group of CGUs. Consequently, an impairment charge of $1,132 million was recognized in *Impairment of assets* in the income statements.

Recoverable amount

The recoverable amount for the Bell CTS Canada group of CGUs is its value in use. The recoverable amount for each of the Bell CTS U.S. and Bell Media groups of CGUs is its fair value less cost of disposal.

The recoverable amount for our groups of CGUs is determined by discounting five-year cash flow projections derived from business plans reviewed by senior management. The projections reflect management's expectations of revenue, adjusted EBITDA, capital expenditures, working capital and operating cash flows, based on past experience and future expectations of operating performance, including any impact from changes in interest rates and inflation.

Cash flows beyond the five-year period are extrapolated using perpetuity growth rates. None of the perpetuity growth rates exceed the long-term historical growth rates for the markets in which we operate.

The discount rates are applied to the cash flow projections and are derived from the weighted average cost of capital for each group of CGUs.

The following table shows the key assumptions used to estimate the recoverable amounts of our groups of CGUs.

	Assumptions used	
Groups of CGUs	**Perpetuity growth rate**	**Discount rate**
Bell CTS Canada	1.5%	7.0%
Bell CTS U.S.	3.5%	9.0%
Bell Media	0.5%	10.8%

We believe that any reasonable possible change in the key assumptions on which the estimate of recoverable amount of the Bell CTS Canada group of CGUs is based would not cause its carrying amount to exceed its recoverable amount.

For the Bell CTS U.S. group of CGUs, a decrease of 1.2% in the perpetuity growth rate or an increase of 1.0% in the discount rate would have resulted in its recoverable amount being equal to its carrying value.

For the Bell Media group of CGUs, a decrease of 2.1% in the perpetuity growth rate or an increase of 1.2% in the discount rate would have resulted in its recoverable amount being equal to its carrying value.

Note 24 Trade payables and other liabilities

For the year ended December 31	**Note**	**2025**	**2024**
Trade payables and accruals		**2,817**	2,961
Compensation payable		**547**	543
Severance and other costs payable		**193**	157
Commodity taxes payable		**118**	146
Derivative liabilities	30	**76**	41
Provisions	27	**55**	65
Other current liabilities		**586**	594
Total trade payables and other liabilities		**4,392**	4,507

Note 25 Debt due within one year

For the year ended December 31	Note	Weighted average interest rate at December 31, 2025	2025	2024
Notes payable [1]	30	2.40 %	**2,566**	2,203
Loans secured by receivables [2]	30	3.29 %	**1,594**	1,600
Supplier finance arrangements due within one year	26	4.00 %	**70**	73
Long-term debt due within one year [3]	26	4.10 %	**1,925**	3,793
Total debt due within one year			**6,155**	7,669

(1) *Includes commercial paper of $1,861 million in U.S. dollars ($2,550 million in Canadian dollars) and $1,522 million in U.S. dollars ($2,190 million in Canadian dollars) as at December 31, 2025 and December 31, 2024, respectively, which were issued under our U.S. commercial paper program and have been hedged for foreign currency fluctuations with forward currency contracts. See Note 30,* Financial and capital management, *for additional details.*

(2) *Loans secured by receivables totaled $1,163 million in U.S. dollars ($1,594 million in Canadian dollars) and $1,112 million in U.S. dollars ($1,600 million in Canadian dollars) as at December 31, 2025 and December 31, 2024, respectively, and have been hedged for foreign currency fluctuations with forward currency contracts. See Note 30,* Financial and capital management, *for additional details.*

(3) *Included in long-term debt due within one year is the current portion of lease liabilities of $933 million and $1,088 million as at December 31, 2025 and December 31, 2024, respectively.*

Securitized receivables

Our securitized receivables program is recorded as floating rate revolving loans secured by certain receivables. The securitization program includes a financing cost that varies based on our performance of certain sustainability performance targets.

The following table provides further details on our securitized receivables program during 2025 and 2024.

For the year ended December 31	2025	2024
Average interest rate throughout the year	**3.78%**	5.50%
Securitized receivables	**3,470**	3,405
Maximum amount available under our securitization program	**2,300**	2,300

We continue to service trade receivables and wireless device financing plan receivables under the securitization program, which matures in June 2027 unless terminated prior to maturity. The lenders' interest in the collection of these receivables ranks ahead of our interests, which means that we are exposed to certain risks of default on the amounts securitized.

We have provided various credit enhancements in the form of overcollateralization and subordination of our retained interests.

The lenders have no further claim on our other assets if customers do not pay the amounts owed.

Credit facilities

Bell Canada may issue notes under its Canadian and U.S. commercial paper programs up to the maximum aggregate principal amount of $3.0 billion in either Canadian or U.S. currency provided that at no time shall such maximum amount of notes exceed $3.5 billion in Canadian currency.

On September 23, 2025, Bell Canada entered into a $500 million in U.S. dollars ($692 million in Canadian dollars) unsecured term loan agreement to finance certain transactions in the U.S. On September 26, 2025, $500 million in U.S. dollars ($697 million in Canadian dollars) was drawn under this loan agreement. The term loan is repayable at maturity in September 2032. The loan agreement has been designated as a net investment hedge of Bell Canada's investment in Ziply Fiber. See Note 30*, Financial and capital management*, for additional details.

On April 14, 2025, Bell Canada entered into a $700 million in U.S. dollars ($972 million in Canadian dollars) unsecured committed term loan agreement to finance certain purchase obligations. A first loan advance in the amount of $228 million in U.S. dollars ($315 million in Canadian dollars) was made on April 29, 2025. On August 19, 2025, a second loan advance in the amount of $148 million in U.S. dollars ($206 million in Canadian dollars) was made. On November 4, 2025, a third loan advance in the amount of $111 million in U.S. dollars ($157 million in Canadian dollars) was made. Subsequent to year end, on January 28, 2026, a fourth loan advance of $102 million in U.S. dollars ($139 million in Canadian dollars) was made. The term loans are repayable in multiple periodic installments between July 2026 until maturity of the credit facility in April 2029. The loan advances have been hedged for foreign currency fluctuations.

On November 1, 2024, Bell Canada entered into a commitment letter (Commitment Letter) for a $3,700 million unsecured term loan facility (Ziply Term Facility) denominated in U.S. dollars ($5,048 million in Canadian dollars) that was available to be drawn to finance the acquisition of Ziply Fiber. In Q1 2025 and pursuant to the terms and conditions of the Commitment Letter, Bell Canada made reductions of $965 million in U.S. dollars ($1,387 million in Canadian dollars) in the aggregate amount of the Commitment Letter. On April 15, 2025, Bell Canada made further reductions of $225 million in U.S. dollars ($314 million in Canadian dollars) in the aggregate amount of the Commitment Letter. On July 2, 2025, Bell Canada terminated the Ziply Term Facility and canceled the remaining $2,510 million in U.S. dollars ($3,419 million in Canadian dollars) in the aggregate amount of the Commitment Letter as a result of the completion of the previously announced disposition of its minority stake in MLSE.

The table below is a summary of our total bank credit facilities at December 31, 2025.

	Total available	Drawn	Letters of credit	Commercial paper outstanding	Net available
Committed credit facilities					
Unsecured revolving and expansion credit facilities [1] [2]	**4,000**	**—**	**—**	**2,550**	**1,450**
Unsecured committed term loan facility	**960**	**668**	**—**	**—**	**292**
Unsecured term loan facility	**686**	**686**	**—**	**—**	**—**
Unsecured non-revolving credit facilities	**641**	**55**	**—**	**—**	**586**
Other	**106**	**—**	**71**	**—**	**35**
Total committed credit facilities	**6,393**	**1,409**	**71**	**2,550**	**2,363**
Non-committed credit facilities					
Bell Canada	**1,840**	**—**	**604**	**—**	**1,236**
Total non-committed credit facilities	**1,840**	**—**	**604**	**—**	**1,236**
Total committed and non-committed credit facilities	**8,233**	**1,409**	**675**	**2,550**	**3,599**

(1) *Bell Canada's $2.7 billion committed revolving credit facility expires in December 2030 and its $1.3 billion committed expansion credit facility expires in December 2028.*

(2) *As of December 31, 2025, Bell Canada's outstanding commercial paper included $1,861 million in U.S. dollars ($2,550 million in Canadian dollars). All of Bell Canada's commercial paper outstanding is included in* Debt due within one year.

Restrictions

Some of our credit agreements:

- require us to meet specific financial ratios
- require us to offer to repay and cancel the credit agreement upon a change of control of BCE or Bell Canada

We are in compliance with all conditions and restrictions under such credit agreements.

Note 26 Long-term debt

For the year ended December 31	Note	Weighted average interest rate at December 31, 2025	Maturity	2025	2024
Debt securities					
1997 trust indenture [1]		4.42%	2026-2055	**17,502**	20,273
1976 trust indenture		9.38%	2027-2054	**975**	975
2016 U.S. trust indenture [2]		4.37%	2032-2054	**7,840**	9,445
1996 trust indenture (subordinated)		8.21%	2026-2031	**275**	275
2025 Canadian trust indenture (subordinated)		5.63%	2055	**1,250**	—
2025 U.S. trust indenture (subordinated) [3]		6.94%	2055	**3,088**	—
Lease liabilities		4.24%	2026-2069	**4,309**	4,591
Bell Mobility trade loan [4]				**—**	863
Unsecured committed term loan facility [5]		4.40%	2026-2029	**668**	—
Unsecured term loan facility [6]		5.38%	2032	**686**	—
Supplier finance arrangements		4.00%	2026-2030	**165**	197
Other				**312**	243
Total debt				**37,070**	36,862
Net unamortized discount				**(8)**	(29)
Unamortized debt issuance costs				**(163)**	(132)
Less amounts due within one year:					
Supplier finance arrangements	25			**(70)**	(73)
Long-term debt	25			**(1,925)**	(3,793)
Total long-term debt				**34,904**	32,835

(1) *At December 31, 2025 and 2024, $1,995 million and $1,300 million, respectively, have been swapped from fixed to floating using interest rate swaps. As at December 31, 2025 and 2024, $525 million has been swapped from fixed to floating with forward interest rate swaps starting in 2028. See Note 30,* Financial and capital management, *for additional details.*

(2) *At December 31, 2025 and 2024, notes issued under the 2016 U.S. trust indenture totaled $5,706 million and $6,550 million in U.S. dollars, respectively, and have been hedged for foreign currency fluctuations with cross currency interest rate swaps. See Note 30*, Financial and capital management*, for additional details.*

(3) *At December 31, 2025, notes issued under the 2025 U.S. trust indenture (subordinated) totaled $2,250 million in U.S. dollars, and have been hedged for foreign currency and interest rate fluctuations with foreign exchange swaps, interest rate swaps and cross currency interest rate swaps. See Note 30*, Financial and capital management*, for additional details.*

(4) *In 2025, Bell Mobility Inc. (Bell Mobility) early redeemed the $600 million in U.S. dollars loan incurred under the Bell Mobility trade loan agreement. The loan agreement had been hedged for foreign currency fluctuations. See Note 30*, Financial and capital management*, for additional details.*

(5) *At December 31, 2025, loans incurred under the unsecured committed term loan facility totaled $487 million in U.S. dollars and have been hedged for foreign currency fluctuations with cross currency swaps. See Note 30*, Financial and capital management*, for additional details.*

(6) *At December 31, 2025, loans incurred under the unsecured term loan facility totaled $500 million in U.S. dollars to partially hedge the U.S. currency exposure related to our net investment in Ziply Fiber. See Note 30*, Financial and capital management*, for additional details.*

Bell Canada's debt securities have been issued in Canadian dollars with the exception of debt securities issued under the 2016 U.S. trust indenture and 2025 U.S. trust indenture (subordinated), which have been issued in U.S. dollars. All debt securities were issued at a fixed interest rate. We have entered into interest rate and cross currency interest rate derivatives to manage interest rate risk as disclosed in Note 30, *Financial and capital management*.

Supplier finance arrangements

Supplier finance arrangements are agreements whereby a finance provider pays amounts to a participating supplier in respect of invoices owed by BCE and receives the settlement from BCE at a later date. These arrangements have an average term of 5 years, whereas comparable trade payables would have payment terms between 30 and 60 days.

Restrictions

Some of our debt agreements:

- impose covenants and new issue tests
- require us to make an offer to repurchase certain series of debt securities upon the occurrence of a change of control event as defined in the relevant debt agreements

We are in compliance with all conditions and restrictions under such debt agreements.

All outstanding debt securities have been issued under trust indentures, are unsecured and have been guaranteed by BCE. All debt securities have been issued in series and certain series are redeemable at Bell Canada's option prior to maturity at the prices, times and conditions specified for each series.

2025

On December 8, 2025, Bell Canada redeemed, prior to maturity, all of its 3.55% Series M-41 medium-term note (MTN) debentures, that had an outstanding principal amount of $750 million, for an aggregate purchase price of $750 million. We recognized early debt redemption costs of $1 million, which were recorded in *Other income (expense)* in the income statements, primarily due to losses on terminated bond locks.

On August 28, 2025, Bell Canada redeemed, prior to maturity, all of the Secured Fiber Network Revenue Term Notes (Term Notes) originally issued by Ziply Fiber, that had an outstanding principal amount of $1,594 million in U.S. dollars ($2,192 million in Canadian dollars), for an aggregate purchase price of $1,672 million in U.S. dollars ($2,300 million in Canadian dollars). We recognized early debt redemption costs of $109 million, which were recorded in *Other income (expense)* in the income statements and which included adjustments to the provisional estimates of the fair value assigned to the Term Notes. See Note 4, *Business acquisitions and disposition*, for additional details.

On August 20, 2025, Bell Canada redeemed, prior to maturity, all of the Secured Fiber Network Revenue Funding Notes (Funding Notes) originally issued by Ziply Fiber, that had an outstanding principal amount of $367 million in U.S. dollars ($509 million in Canadian dollars), for an aggregate purchase price of $367 million in U.S. dollars ($509 million in Canadian dollars).

On August 19, 2025, Bell Canada repurchased, in the open market, a principal amount of $7 million of its 4.05% Series M-55 MTN debentures, that had an outstanding principal amount of $90 million, which mature on March 17, 2051, for a cash purchase price of $6 million. We recognized early debt redemption gains of $1 million, which were recorded in *Other income (expense)* in the income statements, primarily due to the fair value discount, offset by recognition of unamortized debt issue costs related to these debt securities.

On August 14, 2025, Bell Canada issued, under its 1997 trust indenture:

- 3.65% Series M-64 MTN debentures, with a principal amount of $400 million, which mature on August 14, 2029
- 4.30% Series M-65 MTN debentures, with a principal amount of $500 million, which mature on March 14, 2033
- 4.70% Series M-66 MTN debentures, with a principal amount of $600 million, which mature on March 14, 2036
- 5.25% Series M-67 MTN debentures, with a principal amount of $500 million, which mature on August 14, 2055

As a result of the acquisition of Ziply Fiber on August 1, 2025, Bell Canada assumed Ziply Fiber's outstanding debt of $1.94 billion in U.S. dollars ($2.68 billion in Canadian dollars).

On June 30, 2025, Bell Mobility early redeemed the $600 million in U.S. dollars ($819 million in Canadian dollars) loan incurred under the Bell Mobility trade loan agreement. The loan agreement had been hedged for foreign currency fluctuations. See Note 30, *Financial and capital management*, for additional details.

On June 12, 2025, Bell Canada repurchased, pursuant to tender offers:

- a principal amount of $105 million of its 4.35% Series M-39 MTN debentures, that had an outstanding principal amount of $500 million, which mature on December 18, 2045
- a principal amount of $100 million of its 4.45% Series M-45 MTN debentures, that had an outstanding principal amount of $500 million, which mature on February 27, 2047
- a principal amount of $35 million of its 3.50% Series M-51 MTN debentures, that had an outstanding principal amount of $119 million, which mature on September 30, 2050
- a principal amount of $460 million of its 4.05% Series M-55 MTN debentures, that had an outstanding principal amount of $550 million, which mature on March 17, 2051

for an aggregate cash purchase price of $602 million.

As a result of these cash tender offers, in Q2 2025, we recognized early debt redemption gains of $91 million, which were recorded in *Other income (expense)* in the income statements, primarily due to the fair value discount, offset by recognition of unamortized debt issue costs related to these debt securities.

On March 27, 2025, Bell Canada repurchased, pursuant to tender offers:

- a principal amount of $174 million in U.S. dollars ($249 million in Canadian dollars) of its 4.300% Series US-2 Notes, that had an outstanding principal amount of $600 million in U.S. dollars ($856 million in Canadian dollars), which mature on July 29, 2049
- a principal amount of $79 million in U.S. dollars ($112 million in Canadian dollars) of its 3.650% Series US-4 Notes, that had an outstanding principal amount of $500 million in U.S. dollars ($713 million in Canadian dollars), which mature on March 17, 2051
- a principal amount of $183 million in U.S. dollars ($261 million in Canadian dollars) of its 2.150% Series US-5 Notes, that had an outstanding principal amount of $600 million in U.S. dollars ($856 million in Canadian dollars), which mature on February 15, 2032

- a principal amount of $191 million in U.S. dollars ($273 million in Canadian dollars) of its 3.200% Series US-6 Notes, that had an outstanding principal amount of $650 million in U.S. dollars ($927 million in Canadian dollars), which mature on February 15, 2052
- a principal amount of $217 million in U.S. dollars ($310 million in Canadian dollars) of its 3.650% Series US-7 Notes, that had an outstanding principal amount of $750 million in U.S. dollars ($1,070 million in Canadian dollars), which mature on August 15, 2052

for an aggregate cash purchase price of $633 million in U.S. dollars ($903 million in Canadian dollars).

In addition, on the same date, Bell Canada repurchased, pursuant to a tender offer, a principal amount of $1,131 million of its 3.50% Series M-51 MTN debentures, that had an outstanding principal amount of $1,250 million, which mature on September 30, 2050, for a cash purchase price of $896 million.

As a result of these cash tender offers, in Q1 2025, we recognized early debt redemption gains of $266 million, which were recorded in *Other income (expense)* in the income statements, primarily due to the fair value discount, offset by recognition of unamortized debt issue costs related to these debt securities and losses on terminated cross currency interest rate swaps.

On March 27, 2025, Bell Canada issued, under its Canadian subordinated trust indenture dated as of March 27, 2025 as supplemented and amended from time to time (2025 Canadian Subordinated Indenture), Fixed-to-Fixed Rate Junior Subordinated Notes, Series C (Series C Notes) with a principal amount of $1,250 million, which initially bear interest at an annual rate of 5.625% and reset every five years starting on March 27, 2030 at an annual rate equal to the five-year Government of Canada yield plus a spread of 2.950%, provided that the interest rate during any five-year interest period will not reset below 5.625%, which mature on March 27, 2055. Bell Canada may redeem the Series C Notes, in whole or in part, at a redemption price equal to 100% of the principal amount commencing on the applicable first reset date.

On February 18, 2025, Bell Canada issued, under its U.S. subordinated trust indenture dated as of February 18, 2025 as supplemented and amended from time to time (2025 U.S. Subordinated Indenture), Fixed-to-Fixed Rate Junior Subordinated Notes, Series A (Series A Notes), with a principal amount of $1,000 million in U.S. dollars ($1,416 million in Canadian dollars), which initially bear interest at an annual rate of 6.875% and reset every five years starting on September 15, 2030 at an annual rate equal to the five-year U.S. Treasury rate plus a spread of 2.390%, provided that the interest rate during any five-year interest period will not reset below 6.875%, which mature on September 15, 2055. Additionally, on the same date, Bell Canada issued, under its 2025 U.S. Subordinated Indenture, Fixed-to-Fixed Rate Junior Subordinated Notes, Series B (Series B Notes), with a principal amount of $1,250 million in U.S. dollars ($1,771 million in Canadian dollars), which initially bear interest at an annual rate of 7.000% and reset every five years starting on September 15, 2035 at an annual rate equal to the five-year U.S. Treasury rate plus a spread of 2.363%, provided that the interest rate during any five-year interest period will not reset below 7.000%, which mature on September 15, 2055. Bell Canada may redeem either of the Series A Notes or Series B Notes, in whole or in part, at a redemption price equal to 100% of the principal amount commencing on the applicable first reset dates. The Series A Notes and Series B Notes have been hedged for foreign currency and interest rate fluctuations with foreign exchange swaps having maturity dates in 2025, interest rate swaps having maturity dates in 2030 and 2035 and cross currency interest rate swaps having maturity dates in 2030 and 2035. See Note 30, *Financial and capital management*, for additional details.

The Series M-64, M-65, M-66, M-67 MTN debentures and the Series A Notes, Series B Notes and Series C Notes are fully and unconditionally guaranteed by BCE.

Subsequent to year end, on February 12, 2026, Bell Canada issued, under its 2025 Canadian Subordinated Indenture, Fixed-to-Fixed Rate Junior Subordinated Notes, Series D (Series D Notes), with a principal amount of $750 million, which initially bear interest at an annual rate of 5.375% and reset every five years starting on May 12, 2031 at an annual rate equal to the five-year Government of Canada yield plus a spread of 2.388%, provided that the interest rate during any five-year interest period will not reset below 5.375%, which mature on May 12, 2056. Additionally, on the same date, Bell Canada issued, under its 2025 Canadian Subordinated Indenture, Fixed-to-Fixed Rate Junior Subordinated Notes, Series E (Series E Notes), with a principal amount of $750 million, which initially bear interest at an annual rate of 5.875% and reset every five years starting on May 12, 2036 at an annual rate equal to the five-year Government of Canada yield plus a spread of 2.440%, provided that the interest rate during any five-year interest period will not reset below 5.875%, which mature on May 12, 2056. Bell Canada may redeem either of the Series D Notes or Series E Notes, in whole or in part, at a redemption price equal to 100% of the principal amount commencing on the applicable first reset dates.

2024

On May 24, 2024, Bell Canada issued, under its 1997 trust indenture, 5.60% Series M-61 MTN debentures, with a principal amount of $400 million, which mature on August 11, 2053. The Series M-61 debentures were issued pursuant to a re-opening of an existing series of MTN debentures. Additionally, on the same date, Bell Canada issued, under its 1997 trust indenture, 5.15% Series M-63 MTN debentures, with a principal amount of $1.1 billion, which mature on August 24, 2034.

On February 15, 2024, Bell Canada issued, under its 2016 trust indenture, 5.200% Series US-9 Notes, with a principal amount of $700 million in U.S. dollars ($942 million in Canadian dollars), which mature on February 15, 2034. The Series US-9 Notes have been hedged for foreign currency fluctuations through cross currency interest rate swaps. Additionally, on the same date, Bell Canada issued, under its 2016 trust indenture, 5.550% Series US-10 Notes, with a principal amount of $750 million in U.S. dollars ($1,009 million in Canadian dollars), which mature on February 15, 2054. The Series US-10 Notes have been

hedged for foreign currency fluctuations with cross currency interest rate swaps. See Note 30, *Financial and capital management*, for additional details.

The Series M-61 and M-63 MTN debentures and the Series US-9 and US-10 Notes are fully and unconditionally guaranteed by BCE.

Note 27 Provisions

For the year ended December 31	Note	AROs	Other [1]	Total
January 1, 2025		**161**	**192**	**353**
Additions		**25**	**28**	**53**
Usage		**(7)**	**(34)**	**(41)**
Reversals		**(1)**	**(11)**	**(12)**
December 31, 2025		**178**	**175**	**353**
Current	24	**29**	**26**	**55**
Non-current	29	**149**	**149**	**298**
December 31, 2025		**178**	**175**	**353**

(1) *Other includes environmental, legal, vacant space and other provisions.*

AROs reflect management's best estimates of expected future costs to restore current leased premises to their original condition prior to lease inception. Cash outflows associated with our ARO liabilities are generally expected to occur at the restoration dates of the assets to which they relate, which are long-term in nature. The timing and extent of restoration work that will be ultimately required for these sites is uncertain.

Note 28 Post-employment benefit plans

Post-employment benefit plans cost

We provide pension and other benefits for most of our employees. These include DB pension plans, DC pension plans and OPEBs.

We operate our DB and DC pension plans under applicable legislation in Canada and in the U.S., which prescribes minimum and maximum DB funding requirements. Plan assets are held in trust, and the oversight of governance of the plans, including investment decisions, contributions to DB plans and the selection of the DC plans investment options offered to plan participants, lies with the Risk and Pension Fund Committee, a committee of our board of directors.

The interest rate risk is managed using a liability matching approach, which reduces the exposure of the DB plans to a mismatch between investment growth and obligation growth.

The longevity risk is managed using a longevity swap, which reduces the exposure of the DB plans to an increase in life expectancy.

Components of post-employment benefit plans service cost

For the year ended December 31	2025	2024
DB pension	**(125)**	(134)
DC pension	**(132)**	(136)
OPEBs	**(1)**	(1)
Less:		
Capitalized benefit plans cost	**60**	63
Total post-employment benefit plans service cost	**(198)**	(208)

Components of post-employment benefit plans financing income

For the year ended December 31	2025	2024
DB pension	**133**	99
OPEBs	**(31)**	(33)
Total net return on post-employment benefit plans	**102**	66

The statements of comprehensive income include the following amounts before income taxes.

	2025	2024
Cumulative gains recognized directly in equity, January 1	**1,228**	432
Actuarial gains in other comprehensive income [1]	**881**	984
Increase in the effect of the asset limit in other comprehensive income [2]	**(22)**	(188)
Cumulative gains recognized directly in equity, December 31	**2,087**	1,228

(1) *The cumulative actuarial gains recognized in the statements of comprehensive income are $2,729 million at December 31, 2025.*
(2) *The cumulative increase in the effect of the asset limit recognized in the statements of comprehensive income is $642 million at December 31, 2025.*

Components of post-employment benefit assets (obligations)

The following table shows the change in post-employment benefit obligations and the fair value of plan assets.

		DB pension plans		OPEB plans		Total	
	Note	2025	2024	2025	2024	2025	2024
Post-employment benefit obligations, January 1		**(20,134)**	(20,595)	**(1,054)**	(1,074)	**(21,188)**	(21,669)
Current service cost		**(125)**	(134)	**(1)**	(1)	**(126)**	(135)
Interest on obligations		**(924)**	(927)	**(48)**	(49)	**(972)**	(976)
Actuarial gains [1]		**437**	214	**36**	—	**473**	214
Benefit payments		**1,404**	1,349	**69**	70	**1,473**	1,419
Employee contributions		**(7)**	(8)	**—**	—	**(7)**	(8)
Business combinations	4	**(181)**	(33)	**(43)**	—	**(224)**	(33)
Other		**(2)**	—	**—**	—	**(2)**	—
Post-employment benefit obligations, December 31		**(19,532)**	(20,134)	**(1,041)**	(1,054)	**(20,573)**	(21,188)
Fair value of plan assets, January 1		**24,188**	23,768	**370**	330	**24,558**	24,098
Expected return on plan assets [2]		**1,104**	1,062	**17**	16	**1,121**	1,078
Actuarial gains [1]		**401**	737	**7**	33	**408**	770
Benefit payments		**(1,404)**	(1,349)	**(69)**	(70)	**(1,473)**	(1,419)
Employer contributions		**50**	48	**59**	61	**109**	109
Employee contributions		**7**	8	**—**	—	**7**	8
Transfers to DC plans		**(127)**	(132)	**—**	—	**(127)**	(132)
Business combinations	4	**201**	47	**—**	—	**201**	47
Refundable tax		**(6)**	—	**—**	—	**(6)**	—
Other		**(1)**	(1)	**—**	—	**(1)**	(1)
Fair value of plan assets, December 31		**24,413**	24,188	**384**	370	**24,797**	24,558
Plan asset (deficit)		**4,881**	4,054	**(657)**	(684)	**4,224**	3,370
Effect of asset limit		**(1,018)**	(960)	**—**	—	**(1,018)**	(960)
Interest on effect of asset limit		**(47)**	(36)	**—**	—	**(47)**	(36)
Post-employment benefit asset (liability), December 31		**3,816**	3,058	**(657)**	(684)	**3,159**	2,374
Post-employment benefit assets		**4,310**	3,578	**—**	—	**4,310**	3,578
Post-employment benefit obligations		**(494)**	(520)	**(657)**	(684)	**(1,151)**	(1,204)

(1) *Actuarial gains include experience gains of $391 million in 2025 and $809 million in 2024.*
(2) *The actual return on plan assets was $1,529 million or 6.4% in 2025 and $1,848 million or 8.1% in 2024.*

Funded status of post-employment benefit plans

The following table shows the funded status of our post-employment benefit obligations.

	Funded		Partially funded [1]		Unfunded [2]		Total	
For the year ended December 31	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
Present value of post-employment benefit obligations	**(18,981)**	(19,558)	**(1,347)**	(1,425)	**(245)**	(205)	**(20,573)**	(21,188)
Fair value of plan assets	**24,355**	24,123	**442**	435	**—**	—	**24,797**	24,558
Plan surplus (deficit)	**5,374**	4,565	**(905)**	(990)	**(245)**	(205)	**4,224**	3,370
Effect and interest of asset limit	**(1,065)**	(996)	**—**	—	**—**	—	**(1,065)**	(996)
Post-employment benefit asset (liability)	**4,309**	3,569	**(905)**	(990)	**(245)**	(205)	**3,159**	2,374

(1) *The partially funded plans consist of supplementary executive retirement plans (SERPs) for eligible employees and certain OPEBs. The company partially funds the SERPs through letters of credit and a retirement compensation arrangement account with Canada Revenue Agency. Certain paid-up life insurance benefits are funded through life insurance contracts.*

(2) *Our unfunded plans consist of certain OPEBs, which are paid as claims are incurred.*

Significant assumptions

We used the following key assumptions to measure the post-employment benefit obligations and the net benefit plans cost for the DB pension plans and OPEB plans. These assumptions are long-term, which is consistent with the nature of post-employment benefit plans.

	DB pension plans and OPEB plans	
For the year ended December 31	**2025**	**2024**
Post-employment benefit obligations		
Discount rate	**4.9%**	4.7%
Rate of compensation increase	**2.25%**	2.25%
Cost of living indexation rate [1]	**1.6%**	1.6%
Life expectancy at age 65 (years)	**23.2**	23.4

(1) *Cost of living indexation rate is only applicable to DB pension plans.*

	DB pension plans and OPEB plans	
For the year ended December 31	**2025**	**2024**
Net post-employment benefit plans cost		
Discount rate	**4.8%**	4.7%
Rate of compensation increase	**2.25%**	2.25%
Cost of living indexation rate [1]	**1.6%**	1.6%
Life expectancy at age 65 (years)	**23.4**	23.4

(1) *Cost of living indexation rate is only applicable to DB pension plans.*

The weighted average duration of the post-employment benefit obligation is 10 years.

We assumed the following trend rates in healthcare costs:

- an annual increase in the cost of medication of 6.5% for 2025 decreasing to 4.0% over 20 years
- an annual increase in the cost of covered dental benefits of 4.5%
- an annual increase in the cost of covered hospital benefits of 3.8%
- an annual increase in the cost of other covered healthcare benefits of 4.5%

Assumed trend rates in healthcare costs have a significant effect on the amounts reported for the healthcare plans.

The following table shows the effect of a 1% change in the assumed trend rates in healthcare costs.

Effect on post-employment benefits - increase (decrease)	**1% increase**	**1% decrease**
Total service and interest cost	2	(2)
Post-employment benefit obligations	55	(47)

Sensitivity analysis

The following table shows a sensitivity analysis of key assumptions used to measure the net post-employment benefit obligations and the net post-employment benefit plans cost for our DB pension plans and OPEB plans.

		Impact on net post-employment benefit plans cost for 2025 – increase (decrease)		Impact on post-employment benefit obligations at December 31, 2025 – increase (decrease)	
	Change in assumption	Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption
Discount rate	0.5%	(79)	76	(1,026)	1,102
Cost of living indexation rate	0.5%	54	(42)	997	(800)
Life expectancy at age 65	1 year	41	(40)	782	(782)

Post-employment benefit plan assets

The investment strategy for the post-employment benefit plan assets is to maintain a diversified portfolio of assets invested in a prudent manner to maintain the security of benefits.

The following table shows the target allocations for 2025 and the allocation of our post-employment benefit plan assets at December 31, 2025 and 2024.

	Weighted average target allocation	Total plan assets fair value	
Asset category	2025	December 31, 2025	December 31, 2024
Equity securities	**0%-40%**	**14%**	13%
Debt securities	**40%-100%**	**52%**	53%
Alternative investments	**0%-60%**	**34%**	34%
Total		**100%**	100%

The following table shows the fair value of the DB pension plan assets for each category.

For the year ended December 31	2025	2024
Observable markets data		
Equity securities		
Canadian	**759**	862
Foreign	**2,577**	2,344
Debt securities		
Canadian	**10,075**	11,117
Foreign	**2,224**	1,426
Money market	**357**	257
Non-observable markets inputs		
Alternative investments		
Private equities	**1,077**	1,066
Hedge funds	**1,543**	1,301
Real estate and infrastructure	**4,452**	4,341
Private debt	**1,325**	1,451
Other	**24**	23
Total	**24,413**	24,188

Equity securities included less than $0.1 million of BCE common shares and less than 0.1% of total plan assets, at December 31, 2025 and December 31, 2024.

Debt securities included approximately $36 million of Bell Canada debentures, or 0.1% of total plan assets, at December 31, 2025 and approximately $41 million of Bell Canada debentures, or 0.2% of total plan assets, at December 31, 2024.

The Bell Canada Pension Plan has an investment arrangement which hedges part of its exposure to potential increases in longevity, which covers approximately $3 billion of post-employment benefit obligations. The fair value of the arrangement is included within other alternative investments.

Cash flows

We are responsible for adequately funding our DB pension plans. We make contributions to them based on various actuarial cost methods that are permitted by pension regulatory authorities. Contributions reflect actuarial assumptions about future investment returns, salary projections and future service benefits. Changes in these factors could cause actual future contributions to differ from our current estimates and could require us to increase contributions to our post-employment benefit plans in the future, which could have a negative effect on our liquidity and financial performance.

We contribute to the DC pension plans as employees provide service.

The following table shows the amounts we contributed to the DB and DC pension plans and the payments made to beneficiaries under OPEB plans.

	DB plans		DC plans		OPEB plans	
For the year ended December 31	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
Contributions/payments	**(44)**	(48)	**(5)**	(4)	**(59)**	(61)

We expect to contribute approximately $30 million to our DB pension plans in 2026, subject to actuarial valuations being completed. We expect to contribute approximately $5 million to the DC pension plans and to pay approximately $60 million to beneficiaries under OPEB plans in 2026.

Note 29 Other non-current liabilities

For the year ended December 31	**Note**	**2025**	**2024**
Provisions	27	**298**	288
Long-term disability benefits obligation		**266**	271
Derivative liabilities	30	**639**	863
Other		**262**	224
Total other non-current liabilities		**1,465**	1,646

Note 30 Financial and capital management

Financial management

Management's objectives are to protect BCE and its subsidiaries on a consolidated basis against material economic exposures and variability of results from various financial risks, including credit risk, liquidity risk, foreign currency risk, interest rate risk and equity price risk.

Derivatives

We use derivative instruments to manage our exposure to foreign currency risk, interest rate risk and changes in the price of BCE common shares.

Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Certain fair value estimates are affected by assumptions we make about the amount and timing of future cash flows and discount rates, all of which reflect varying degrees of risk. Income taxes and other expenses that may be incurred on disposition of financial instruments are not reflected in the fair values. As a result, the fair values may not be the net amounts that would be realized if these instruments were settled.

The carrying values of cash, cash equivalents, short-term investments, trade and other receivables, trade payables and other liabilities, interest payable, dividends payable, notes payable and loans secured by receivables approximate fair value as they are short-term. The carrying value of long-term receivables, including wireless device financing plan receivables, approximates fair value given that their average remaining duration is short and their carrying value is reduced by an allowance for doubtful accounts and an allowance for revenue adjustments. The carrying values of our term loan facilities and the Bell Mobility trade loans approximate fair value given they bear interest at a variable rate.

The following table provides the fair value details of other financial instruments measured at amortized cost in the statements of financial position.

				December 31, 2025		December 31, 2024	
	Classification	Fair value methodology	Note	Carrying value	Fair value	Carrying value	Fair value [1]
Debt securities and other debt	Debt due within one year and long-term debt	Quoted market price of debt	25, 26	**31,236**	**31,286**	31,247	30,022

(1) *We have presented amounts from the previous period to make them consistent with the presentation of the current period.*

The following table provides the fair value details of financial instruments measured at fair value in the statements of financial position.

	Classification	Note	Carrying value of asset (liability)	Fair value: Quoted prices in active markets for identical assets (level 1)	Fair value: Observable market data (level 2) [1]	Fair value: Non-observable market inputs (level 3) [2]
December 31, 2025						
Publicly-traded and privately-held investments [3]	Other non-current assets	22	**1,198**	**105**	**—**	**1,093**
Derivative financial instruments	Other current assets, trade payables and other liabilities, other non-current assets and liabilities		**(513)**	**—**	**(513)**	**—**
Investments	Other non-current assets	22	**246**	**—**	**246**	**—**
December 31, 2024						
Publicly-traded and privately-held investments [3]	Other non-current assets	22	877	35	—	842
Derivative financial instruments	Other current assets, trade payables and other liabilities, other non-current assets and liabilities		(368)	—	(368)	—
Investments	Other non-current assets	22	225	—	225	—

(1) *Observable market data such as equity prices, interest rates, swap rate curves and foreign currency exchange rates.*
(2) *Non-observable market inputs such as discounted cash flows, prices of comparable investments and revenue and earnings multiples. For certain privately-held investments, changes in our valuation assumptions may result in a significant change in the fair value of our level 3 financial instruments.*
(3) *Unrealized gains and losses are recorded in* Other comprehensive income *in the statements of comprehensive income and are reclassified from* Accumulated other comprehensive income (loss) *to the* Deficit *in the statements of financial position when realized.*

Credit risk

We are exposed to credit risk from operating activities and certain customer financing activities, the maximum exposure of which is represented by the carrying amounts reported in the statements of financial position.

We are exposed to credit risk if counterparties to our trade and other receivables, contract assets, derivative instruments and long-term receivables, including wireless device financing plan receivables, are unable to meet their obligations. The concentration of credit risk from our customers is minimized because we have a large and diverse customer base. There was minimal credit risk relating to derivative instruments at December 31, 2025 and 2024. We deal with financial institutions that have investment-grade credit ratings and we expect that they will be able to meet their obligations. We regularly monitor our credit risk and credit exposure, and consider, among other factors, the effects of changes in interest rates and inflation.

The following table provides the change in allowance for doubtful accounts for trade receivables.

	Note	2025	2024
Balance, January 1		**(120)**	(118)
Additions [1]		**(235)**	(169)
Usage and reversals		**191**	167
Balance, December 31	13	**(164)**	(120)

(1) *Includes $38 million from the acquisition of Ziply Fiber in 2025. See Note 4,* Business acquisitions and disposition *for additional details.*

In many instances, trade receivables are written off directly to bad debt expense if the account has not been collected after a predetermined period of time.

The following table provides further details on trade receivables, net of allowance for doubtful accounts.

At December 31	2025	2024
Trade receivables not past due	**3,321**	3,346
Trade receivables past due		
Under 60 days	**383**	484
60 to 120 days	**171**	240
Over 120 days	**74**	115
Trade receivables, net of allowance for doubtful accounts	**3,949**	4,185

The following table provides the change in allowance for doubtful accounts for contract assets.

	Note	2025	2024
Balance, January 1		**(18)**	(18)
Additions		**(18)**	(20)
Usage and reversals		**24**	20
Balance, December 31		**(12)**	(18)
Current		**(7)**	(6)
Non-current		**(5)**	(12)
Balance, December 31	15	**(12)**	(18)

Liquidity risk

Our cash, cash equivalents, short-term investments, amounts available under our securitized receivables program, cash flows from operations and possible capital markets financing are expected to be sufficient to fund our operations and fulfill our obligations as they become due. Should our cash requirements exceed the above sources of cash, we would expect to cover such a shortfall by drawing on existing committed bank facilities and new debt, to the extent available.

The following table is a maturity analysis for recognized financial liabilities at December 31, 2025 for each of the next five years and thereafter.

At December 31, 2025	Note	2026	2027	2028	2029	2030	Thereafter	Total
Total debt, excluding lease liabilities	26	1,064	2,042	2,404	2,028	2,075	23,148	32,761
Lease liabilities [1]	26	1,091	693	483	396	390	2,196	5,249
Notes payable	25	2,566	—	—	—	—	—	2,566
Loan secured by receivables	25	1,594	—	—	—	—	—	1,594
Interest payable on long-term debt, notes payable and loan secured by receivables		1,675	1,533	1,470	1,363	1,272	17,258	24,571
Net payments (receipts) on cross currency interest rate swaps and interest rate swaps		15	(7)	(13)	(27)	74	(491)	(449)
Total		**8,005**	**4,261**	**4,344**	**3,760**	**3,811**	**42,111**	**66,292**

(1) *Includes imputed interest of $940 million.*

We are also exposed to liquidity risk for financial liabilities due within one year as shown in the statements of financial position.

Market risk

Currency exposures

In 2025, we entered into and subsequently settled deal contingent foreign exchange forward contracts with a notional amount of $905 million in U.S. dollars ($1,241 million in Canadian dollars) and foreign exchange forward contracts with a notional amount of $1,019 million in U.S. dollars ($1,402 million in Canadian dollars) to hedge the U.S. currency exposure related to the Ziply Fiber purchase cost. We also designated U.S. dollar cash deposits of $3,545 million ($4,908 million in Canadian dollars) to hedge the U.S. currency exposure related to the Ziply Fiber purchase cost. A net gain of $7 million from settlement of the foreign exchange forwards and cash deposits is reflected in the Ziply Fiber purchase cost.

In 2025, we designated an unsecured term loan of $500 million in U.S. dollars ($697 million in Canadian dollars) to partially hedge the U.S. currency exposure related to our net investment in Ziply Fiber.

In 2025, we entered into amortizing cross currency interest rate swaps with a notional amount of $487 million in U.S. dollars ($678 million in Canadian dollars) to hedge the U.S. currency exposure on other debt maturing in 2029. The fair value of the

amortizing cross currency interest rate swaps at December 31, 2025 was a net liability of $11 million recognized in *Other current assets* and *Other non-current liabilities* in the statements of financial position.

In 2025, we terminated cross currency interest rate swaps entered into in 2023 and 2024 with a notional amount of $600 million in U.S. dollars ($814 million in Canadian dollars) used to hedge the U.S. currency exposure of loans maturing in 2025 and 2026 under our Bell Mobility trade loan agreement. The fair value of the cross currency interest rate swaps at the date of termination was $4 million.

In 2025, following the repurchase of a portion of certain debt prior to maturity, we proportionately terminated the corresponding cross currency interest rate swaps used to hedge the U.S. currency exposure of this debt. Specifically, we terminated cross currency interest rate swaps with a notional amount of $174 million in U.S. dollars ($235 million in Canadian dollars) relating to our Series US-2 Notes, $79 million in U.S. dollars ($100 million in Canadian dollars) relating to our Series US-4 Notes, $183 million in U.S. dollars ($230 million in Canadian dollars) relating to our Series US-5 Notes, $191 million in U.S. dollars ($241 million in Canadian dollars) relating to our Series US-6 Notes and $217 million in U.S. dollars ($276 million in Canadian dollars) relating to our Series US-7 Notes. The fair value of the cross currency interest rate swaps at the date of termination was a net liability of $110 million, reflected in the initial fair value of the cross currency interest rate swaps relating to our Series A Notes and Series B Notes described below.

In 2025, we entered into foreign exchange swaps with a notional amount of $1,000 million in U.S. dollars ($1,398 million in Canadian dollars), maturing in 2025, to hedge the U.S. currency exposure of our Series A Notes maturing in 2055. These foreign exchange swaps were terminated in 2025. The fair value of the foreign exchange swaps at the dates of termination was a net liability of $12 million, reflected in the initial fair value of the cross currency interest rate swaps relating to our Series A Notes described below.

In 2025, we entered into foreign exchange swaps with a notional amount of $1,250 million in U.S. dollars ($1,769 million in Canadian dollars) to hedge the U.S. currency exposure of our Series B Notes maturing in 2055. The foreign exchange swaps matured in 2025. The fair value of the foreign exchange swaps at maturity was $13 million. Subsequently, we entered into foreign exchange swaps with a notional amount of $828 million in U.S. dollars ($1,167 million in Canadian dollars), maturing in 2025, to hedge the U.S. currency exposure of our Series B Notes. In 2025, we terminated a portion of these foreign exchange swaps with a notional amount of $456 million in U.S. dollars ($643 million in Canadian dollars). The fair value of the foreign exchange swaps at the date of termination was a liability of $24 million, of which $14 million is reflected in the initial fair value of the cross currency interest rate swaps relating to our Series B Notes described below. The remaining foreign exchange swaps with a notional amount of $372 million in U.S. dollars ($524 million in Canadian dollars) matured in 2025. The fair value of the foreign exchange swaps at maturity was a liability of $2 million. Subsequently, we entered into foreign exchange swaps with a notional amount of $372 million in U.S. dollars ($521 million in Canadian dollars, which reflects the net liability of the matured foreign exchange swaps). The fair value of the foreign exchange swaps at December 31, 2025 was a net liability of $13 million recognized in *Other current assets* and *Trade payables and other liabilities* in the statements of financial position.

In 2025, we entered into cross currency interest rate swaps with a notional amount of $1,000 million in U.S. dollars ($1,468 million in Canadian dollars), maturing in 2030, to hedge the U.S. currency exposure of our Series A Notes maturing in 2055. The fair value of the cross currency interest rate swaps at December 31, 2025 was a net liability of $69 million recognized in *Other current assets*, *Trade payables and other liabilities* and *Other non-current liabilities* in the statements of financial position. This fair value reflects an initial net liability of $55 million on termination of the cross currency swaps and an initial liability of $12 million on termination of the foreign exchange swaps, both noted above, and an initial asset of $9 million on termination of the interest rate swaps noted below.

In 2025, we entered into cross currency interest rate swaps with a notional amount of $878 million in U.S. dollars ($1,288 million in Canadian dollars), maturing in 2035 to hedge the U.S. currency exposure of our Series B Notes maturing in 2055. The fair value of the cross currency interest rate swaps at December 31, 2025 was a net liability of $59 million recognized in *Other current assets*, *Other non-current assets*, *Trade payables and other liabilities* and *Other non-current liabilities* in the statements of financial position. This fair value reflects an initial net liability of $55 million on termination of the cross currency swaps noted above and an initial liability of $14 million related to the terminated foreign exchange swaps also noted above. In 2024, we entered into cross currency interest rate swaps with a notional amount of $700 million in U.S. dollars ($942 million in Canadian dollars) to hedge the U.S. currency exposure of our US-9 Notes maturing in 2034. The fair value of the cross currency interest rate swaps at December 31, 2025 and 2024 was a net liability of $4 million recognized in *Other current assets* and *Other non-current liabilities* and a net asset of $5 million recognized in *Other current assets* and *Other non-current liabilities*, respectively, in the statements of financial position. In 2024, we entered into cross currency interest rate swaps with a notional amount of $750 million in U.S. dollars ($1,009 million in Canadian dollars) to hedge the U.S. currency exposure of our US-10 Notes maturing in 2054. In connection with these swaps, cross currency basis rate swaps outstanding at December 31, 2023 with a notional amount of $644 million were settled. The fair value of the cross currency interest rate swaps at December 31, 2025 and 2024 was a net liability of $17 million recognized in *Other current assets* and *Other non-current liabilities* and a net liability of $44 million recognized in *Other current assets* and *Other non-current liabilities*, respectively, in the statements of financial position.

See Note 4, *Business acquisitions and disposition,* Note 25, *Debt due within one year* and Note 26, *Long-term debt*, for additional details.

The following table provides further details on our outstanding foreign currency forward contracts and options as at December 31, 2025.

Type of hedge	Buy currency	Amount to receive	Sell currency	Amount to pay	Maturity	Hedged item
Cash flow [1]	USD	1,167	CAD	1,604	2026	Loans
Cash flow	USD	1,874	CAD	2,602	2026	Commercial paper
Cash flow	USD	641	CAD	852	2026	Anticipated purchases
Cash flow	PHP	3,299	CAD	79	2026	Anticipated purchases
Cash flow	USD	440	CAD	589	2027	Anticipated purchases
Economic - call options	USD	120	CAD	158	2026	Anticipated purchases
Economic - options [2]	USD	10	CAD	13	2026	Anticipated purchases
Economic - call options	CAD	348	USD	240	2026	Anticipated purchases
Economic - put options	USD	161	CAD	212	2026	Anticipated purchases
Economic - put options	CAD	148	USD	110	2026	Anticipated purchases
Economic - call options	USD	150	CAD	197	2027	Anticipated purchases
Economic - put options	USD	120	CAD	158	2027	Anticipated purchases
Economic - options [2]	USD	100	CAD	135	2027	Anticipated purchases
Economic - call options	CAD	360	USD	240	2028	Anticipated purchases

(1) *Forward contracts to hedge loans secured by receivables under our securitization program. See Note 25*, Debt due within one year*, for additional information.*
(2) *Foreign currency options with a leverage provision and a profit cap limitation.*

A 10% depreciation (appreciation) in the value of the Canadian dollar relative to the U.S. dollar would result in a loss of $22 million (loss of $15 million) recognized in net earnings at December 31, 2025 and a gain of $146 million (loss of $126 million) recognized in *Other comprehensive income* at December 31, 2025, with all other variables held constant.

Interest rate exposures

In 2025, we entered into interest rate swaps with a notional amount of $200 million to hedge the fair value of our Series M-45 MTN debentures maturing in 2047 and interest rate swaps with a notional amount of $200 million, maturing in 2028, to hedge the interest cost of these debentures. The fair value of the interest rate swaps at December 31, 2025 was a net liability of $9 million recognized in *Other current assets, Other non-current assets, Trade payables and other liabilities* and *Other non-current liabilities* in the statements of financial position.

In 2025, we entered into interest rate swaps with a notional amount of $300 million to hedge the fair value of our Series M-65 MTN debentures maturing in 2033. The fair value of the interest rate swaps at December 31, 2025 was a net liability of $1 million recognized in *Other current assets* and *Other non-current liabilities* in the statements of financial position.

In 2025, we entered into an interest rate swap with a notional amount of $300 million to hedge the fair value of our Series M-66 MTN debentures maturing in 2036. The fair value of the interest rate swap at December 31, 2025 was a net liability of $3 million recognized in *Other current assets* and *Other non-current liabilities* in the statements of financial position.

In 2025, we sold interest rate swaptions with a notional amount of $690 million, maturing in 2030 and 2035, to hedge economically the fair value of our Series A Notes and Series B Notes maturing in 2055 for $3 million. The interest rate swaptions were terminated or expired unexercised.

In 2025, we entered into bond forwards with a notional amount of $300 million to hedge economically the cost to repurchase a portion of our Series M-55 MTN debentures maturing in 2051. The fair value of the bond forwards at their maturity in 2025 was a loss of $3 million.

In 2025, we entered into and subsequently terminated interest rate swaps with a notional amount of $372 million in U.S. dollars ($531 million in Canadian dollars), maturing in 2030, to hedge the fair value of our Series A Notes maturing in 2055. The fair value of the interest rate swaps at the dates of termination was an asset of $9 million, which is reflected in the initial fair value of the cross currency interest rate swaps relating to our Series A Notes described above.

In 2025, we entered into interest rate swaps with a notional amount of $372 million in U.S. dollars ($531 million in Canadian dollars), maturing in 2035, to hedge the fair value of our Series B Notes maturing in 2055. The fair value of the interest rate swaps at December 31, 2025 was a net asset of $4 million recognized in *Other non-current assets* and *Trade payables and other liabilities* in the statements of financial position.

In 2025, we terminated interest rate floors with a notional amount of $350 million used to hedge economically the interest cost of our Series M-62 MTN debentures maturing in 2029. In 2025, we also terminated interest rate swaps with a notional amount of $105 million used to hedge the fair value of these debentures. The fair value of the interest rate floors and interest rate swaps at the date of termination was nil.

In 2025, we entered into forward starting interest rate swaps, effective from 2025, with a notional amount of $423 million, maturing in 2055, to hedge the interest rate exposure on future debt issuances. The fair value of the forward starting interest rate swaps upon issuance of our M-67 MTN debentures was an asset of $25 million.

In 2025, we entered into and subsequently terminated forward starting cross currency basis rate swaps with a notional amount of $350 million in U.S. dollars ($500 million in Canadian dollars) to hedge economically the basis rate on the termination of the cross currency interest rate swaps noted above. The fair value of the forward starting cross currency basis rate swaps at the date of termination was a liability of $3 million.

In 2024, we terminated interest rate swaps with a notional amount of $625 million used to hedge the fair value of our Series M-53 MTN debentures maturing in 2027. The fair value of the interest rate swaps at the date of termination was an asset of $6 million.

In 2024, we entered into and subsequently terminated forward starting interest rate swaps effective from 2026 with a notional amount of $336 million used to hedge the fair value of our US-10 Notes maturing in 2054. The fair value of the forward starting interest rate swaps at the date of termination was an asset of $20 million.

In 2024, we terminated interest rate swaps with a notional amount of $250 million used to hedge the fair value of our Series M-52 MTN debentures maturing in 2030. The fair value of the interest rate swaps at the date of termination was an asset of $6 million.

In 2024, we terminated interest rate swaps with a notional amount of $200 million, maturing in 2025 and 2032, used to hedge the fair value of our Series M-57 MTN debentures maturing in 2032. The fair value of the interest rate swaps at the date of termination was an asset of $6 million.

In 2024, we entered into forward starting interest rate swaps, effective from 2025, with a notional amount of $800 million in U.S. dollars ($1,080 million in Canadian dollars), of which $400 million in U.S. dollars matures in each of 2030 and 2035, to hedge the interest rate exposure on future U.S. dollar debt issuances. Also in 2024, we terminated a portion of these forward starting interest rate swaps with a notional amount of $250 million in U.S. dollars ($338 million in Canadian dollars). The fair value of the forward starting interest rate swaps at the date of termination was an asset of $7 million. The fair value of the remaining forward starting interest rate swaps with a notional amount of $550 million in U.S. dollars ($742 million in Canadian dollars), of which $275 million in U.S. dollars matures in each of 2030 and 2035, at their effective start date in 2025 and at December 31, 2024 was an asset of $50 million and $38 million, respectively, recognized in *Other non-current assets* in the statements of financial position.

In 2024, we sold U.S. dollar interest rate swaptions with a notional amount of $214 million in U.S. dollars ($289 million in Canadian dollars) to hedge economically the fair value of future U.S. dollar debt issuances. The interest rate swaptions were terminated or expired unexercised.

In 2024, we sold interest rate swaptions, expiring in 2024, with a notional amount of $300 million to hedge economically the fair value of our M-17 MTN debentures maturing in 2035. The interest rate swaptions expired unexercised.

In 2024, we sold interest rate swaptions, expiring in 2024, with a notional amount of $750 million to hedge economically the fair value of our M-53 MTN debentures maturing in 2027. Interest rate swaptions with a notional amount of $625 million were settled. The fair value of the interest rate swaptions at the date of settlement was a liability of $6 million. The remaining interest rate swaptions expired unexercised.

In 2024, we purchased and subsequently terminated interest rate options, expiring in 2026, with a notional amount of $440 million used to hedge economically the interest cost of our M-62 MTN debentures maturing in 2029. The fair value of the interest rate options at the date of termination was an asset of $1 million.

See Note 25, *Debt due within one year* and Note 26, *Long-term debt*, for additional details.

A 1% increase (decrease) in interest rates would result in a loss of $32 million (gain of $26 million) recognized in net earnings at December 31, 2025, and a gain of $3 million (loss of $4 million) recognized in *Other comprehensive income* at December 31, 2025, with all other variables held constant.

Equity price exposures

We use equity forward contracts on BCE's common shares to hedge economically the cash flow exposure related to the settlement of equity settled share-based compensation plans. The fair value of our equity forward contracts at December 31, 2025 and December 31, 2024 was a net liability of $187 million and $429 million, respectively, recognized in *Other current assets, Other non-current assets, Trade payables and other liabilities,* and *Other non-current liabilities* in the statements of financial position. A loss of $9 million and $269 million for the year ended December 31, 2025 and 2024, respectively, relating to the equity forward contracts is recognized in *Other income (expense)* in the income statements. See Note 32, *Share-based payments*, for additional details.

A 5% increase (decrease) in the market price of BCE's common shares would result in a gain (loss) of $16 million recognized in net earnings at December 31, 2025, with all other variables held constant.

Capital management

We have various capital policies, procedures and processes which are utilized to seek to achieve our objectives for capital management. These include optimizing our cost of capital and maximizing shareholder return while balancing the interests of our stakeholders.

Our definition of capital includes equity attributable to BCE shareholders, debt, cash, cash equivalents and short-term investments.

In 2025, the key ratio that we used to monitor and manage our capital structure was a net debt leverage ratio [(1)]. In 2025 and 2024, our net debt leverage ratio target range was 3.0 times adjusted EBITDA. At December 31, 2025, and December 31, 2024, we had exceeded the limit of our internal net debt leverage ratio target range by 0.78 and 0.81, respectively.

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

The following table provides a summary of our key ratio.

At December 31	2025	2024
Net debt leverage ratio	**3.78**	3.81

On February 5, 2026, the board of directors of BCE declared a quarterly dividend of $0.4375 per common share, payable on April 15, 2026.

On May 7, 2025, the Board established the annualized dividend at $1.75 per BCE common share, effective starting from the July 15, 2025 dividend payment date.

Additionally, on May 7, 2025, the Board determined that common shares distributed under BCE's Shareholder Dividend Reinvestment and Stock Purchase Plan (DRP) will no longer be issued from treasury at a 2% discount to the average market price of the common shares preceding the applicable dividend payment date (the Average Market Price) and will rather be purchased by BCE's agent, TSX Trust Company, on the secondary market with cash provided by BCE. The modifications became effective commencing with the dividend payable on July 15, 2025 to eligible holders of common shares as of the June 16, 2025 record date, and subsequently until further notice. See Note 31, *Share capital*, for additional details.

In both Q4 2024 and Q4 2025, BCE renewed its normal course issuer bid program (NCIB) with respect to its First Preferred Shares. See Note 31, *Share capital,* for additional details.

(1) *Our net debt leverage ratio represents net debt divided by adjusted EBITDA. As of December 31, 2025, we define net debt as debt due within one year plus long-term debt and 50% of outstanding preferred shares, less 50% of junior subordinated debt included within long-term debt, and less cash, cash equivalents and short-term investments, as shown in our statements of financial position. For the purposes of calculating our net debt leverage ratio, adjusted EBITDA is twelve-month trailing adjusted EBITDA.*

Note 31 Share capital

Preferred shares

BCE's articles of amalgamation, as amended, provide for an unlimited number of First Preferred Shares and Second Preferred Shares, all without par value. The terms set out in the articles authorize BCE's directors to issue the shares in one or more series and to set the number of shares and the conditions for each series.

The following table provides a summary of the principal terms of BCE's First Preferred Shares that were issued and outstanding as at December 31, 2025. There were no Second Preferred Shares issued and outstanding at December 31, 2025. BCE's articles of amalgamation, as amended, describe the terms and conditions of these shares in detail.

Series	Annual dividend rate	Convertible into	Conversion date	Redemption date	Redemption price	Number of shares issued and outstanding	Stated capital	
							December 31, 2025	December 31, 2024
Q	floating	Series R	December 1, 2030	At any time	$25.50	—	—	—
R [1]	4.733%	Series Q	December 1, 2030	December 1, 2030	$25.00	6,913,600	**173**	190
S	floating	Series T	November 1, 2026	At any time	$25.50	1,875,977	**47**	50
T [1]	4.99%	Series S	November 1, 2026	November 1, 2026	$25.00	5,041,533	**126**	129
Y	floating	Series Z	December 1, 2027	At any time	$25.50	5,382,087	**135**	149
Z [1]	5.346%	Series Y	December 1, 2027	December 1, 2027	$25.00	2,387,648	**60**	66
AA [1]	4.94%	Series AB	September 1, 2027	September 1, 2027	$25.00	10,186,378	**260**	285
AB	floating	Series AA	September 1, 2027	At any time	$25.50	6,062,639	**155**	163
AC [1]	5.08%	Series AD	March 1, 2028	March 1, 2028	$25.00	6,160,274	**157**	161
AD	floating	Series AC	March 1, 2028	At any time	$25.50	10,944,329	**279**	299
AE	floating	Series AF	February 1, 2030	At any time	$25.50	3,220,472	**80**	146
AF [1]	5.496%	Series AE	February 1, 2030	February 1, 2030	$25.00	10,507,633	**263**	221
AG [1]	3.37%	Series AH	May 1, 2026	May 1, 2026	$25.00	8,097,685	**202**	208
AH	floating	Series AG	May 1, 2026	At any time	$25.50	4,188,913	**105**	116
AI [1]	3.39%	Series AJ	August 1, 2026	August 1, 2026	$25.00	8,738,340	**218**	224
AJ	floating	Series AI	August 1, 2026	At any time	$25.50	3,776,360	**94**	96
AK [1]	3.306%	Series AL	December 31, 2026	December 31, 2026	$25.00	19,242,741	**481**	535
AL [2]	floating	Series AK	December 31, 2026	At any time		1,489,288	**37**	43
AM [1]	2.939%	Series AN	March 31, 2026	March 31, 2026	$25.00	8,861,751	**203**	228
AN [2]	floating	Series AM	March 31, 2026	At any time		950,322	**22**	23
AQ [1]	6.538%	Series AR	September 30, 2028	September 30, 2028	$25.00	7,727,909	**191**	201
AR [3]	floating	Series AQ	September 30, 2033	At any time		—	**—**	—
							3,288	3,533

(1) *BCE may redeem each of these series of First Preferred Shares on the applicable redemption date and every five years thereafter.*

(2) *BCE may redeem Series AL and AN First Preferred Shares at $25.00 per share on December 31, 2026 and March 31, 2026, respectively, and every five years thereafter (each, a Series conversion date). Alternatively, BCE may redeem Series AL or AN First Preferred Shares at $25.50 per share on any date which is not a Series conversion date for the applicable series of First Preferred Shares.*

(3) *If Series AR First Preferred Shares are issued on September 30, 2028, BCE may redeem such shares at $25.00 per share on September 30, 2033 and every five years thereafter (each, a Series conversion date). Alternatively, BCE may redeem Series AR Preferred Shares at $25.50 per share on any date which is not a Series conversion date for such series of First Preferred Shares.*

Normal course issuer bid for BCE First Preferred Shares

On November 6, 2025, BCE announced the renewal of its NCIB to purchase for cancellation up to 10% of the public float of each series of BCE's outstanding First Preferred Shares that are listed on the Toronto Stock Exchange (TSX). The NCIB will extend from November 11, 2025 to November 10, 2026, or an earlier date should BCE complete its purchases under the NCIB.

In 2025, BCE repurchased and canceled 9,848,200 First Preferred Shares under its NCIB with a stated capital of $245 million for a total cost of $182 million. The remaining $63 million was recorded to contributed surplus.

Subsequent to year end, BCE repurchased and canceled 1,169,641 First Preferred Shares under its NCIB with a stated capital of $29 million for a total cost of $24 million. The remaining $5 million was recorded to contributed surplus.

On November 7, 2024, BCE announced the renewal of its NCIB to purchase for cancellation up to 10% of the public float of each series of BCE's outstanding First Preferred Shares that are listed on the TSX. The NCIB extended from November 11, 2024 to November 10, 2025.

In 2024, BCE repurchased and canceled 5,346,488 First Preferred Shares under its NCIB with a stated capital of $134 million for a total cost of $92 million. The remaining $42 million was recorded to contributed surplus.

Voting rights

All of the issued and outstanding First Preferred Shares at December 31, 2025 are non-voting, except under special circumstances when the holders are entitled to one vote per share.

Priority and entitlement to dividends

The First Preferred Shares of all series rank at parity with each other and in priority to all other shares of BCE with respect to payment of dividends and with respect to distribution of assets in the event of liquidation, dissolution or winding up of BCE.

Holders of Series R, T, Z, AA, AC, AF, AG, AI, AK, AM and AQ First Preferred Shares are entitled to fixed cumulative quarterly dividends. The dividend rate on these shares is reset every five years, as set out in BCE's articles of amalgamation, as amended.

Holders of Series S, Y, AB, AD, AE, AH and AJ First Preferred Shares are entitled to floating adjustable cumulative monthly dividends. The floating dividend rate on these shares is calculated every month, as set out in BCE's articles of amalgamation, as amended.

Holders of Series AL and AN First Preferred Shares are entitled to floating cumulative quarterly dividends. The floating dividend rate on these shares is calculated every quarter, as set out in BCE's articles of amalgamation, as amended.

Dividends on all series of First Preferred Shares are paid as and when declared by the board of directors of BCE.

Conversion features

All of the issued and outstanding First Preferred Shares at December 31, 2025 are convertible at the holder's option into another associated series of First Preferred Shares on a one-for-one basis according to the terms set out in BCE's articles of amalgamation, as amended.

Common shares and Class B shares

BCE's articles of amalgamation provide for an unlimited number of voting common shares and non-voting Class B shares, all without par value. The common shares and the Class B shares rank equally in the payment of dividends and in the distribution of assets if BCE is liquidated, dissolved or wound up, after payments due to the holders of preferred shares. No Class B shares were outstanding at December 31, 2025 and 2024.

The following table provides details about the outstanding common shares of BCE.

	2025		2024	
	Number of shares	Stated capital	Number of shares	Stated capital
Outstanding, January 1	**912,283,103**	**20,860**	912,274,545	20,859
Shares issued under deferred share plan	**715**	**—**	8,558	1
Shares issued under dividend reinvestment plan	**20,241,999**	**633**	—	—
Outstanding, December 31	**932,525,817**	**21,493**	912,283,103	20,860

Discounted Treasury Dividend Reinvestment Plan

In Q4 2024, BCE amended its DRP to provide, at the BCE board of directors' discretion, for the issuance of new common shares from treasury at a 2% discount to the Average Market Price commencing with the dividend payable on January 15, 2025 to eligible shareholders as of the December 16, 2024 record date, and subsequent periods.

On January 15, 2025, 9,540,786 common shares were issued from treasury under the DRP to shareholders of record on December 16, 2024 holding 308,654,258 common shares, for $314 million.

On April 15, 2025, 10,701,213 common shares were issued from treasury under the DRP to shareholders of record on March 14, 2025 holding 312,818,741 common shares, for $319 million.

On May 7, 2025, the Board determined that common shares distributed under BCE's DRP will no longer be issued from treasury at a 2% discount to the average market price and will rather be purchased by BCE's agent, TSX Trust Company, on the secondary market with cash provided by BCE. The modifications became effective commencing with the dividend payable on July 15, 2025 to eligible holders of common shares as of the June 16, 2025 record date, and subsequently until further notice.

Contributed surplus

Contributed surplus in 2025 and 2024 includes premiums in excess of par value upon the issuance of BCE common shares and share-based compensation expense net of settlements.

Note 32 Share-based payments

The following share-based payment amounts are included in *Operating costs* in the income statements.

For the year ended December 31	2025	2024
RSUs and PSUs	**(61)**	(52)
ESP and DSUs	**(29)**	(32)
Total share-based payments	**(90)**	(84)

Description of the plans

ESP

The ESP is designed to encourage employees of BCE and its participating subsidiaries to own shares of BCE. Employees can choose to have up to 12% of their eligible annual earnings withheld through regular payroll deductions for the purchase of BCE common shares. In some cases, the employer also contributes up to 2% of the employee's eligible annual earnings to the plan. Dividends are credited to the participant's account on each dividend payment date and are equivalent in value to the dividends paid on BCE common shares. Employer contributions to the ESP and related dividends are subject to employees holding their shares for a two-year vesting period.

The trustee of the ESP buys BCE common shares for the participants on the open market, by private purchase or from treasury. BCE determines the method the trustee uses to buy the shares.

At December 31, 2025, 4,360,087 common shares were authorized for issuance from treasury under the ESP. At December 31, 2025 and 2024, there were 1,436,100 and 1,239,411 unvested employer ESP contributions, respectively.

RSUs/PSUs

RSUs/PSUs are granted to executives and other eligible employees. Dividends in the form of additional RSUs/PSUs are credited to the participant's account on each dividend payment date and are equivalent in value to the dividends paid on BCE common shares. Executives and other eligible employees are granted a specific number of RSUs/PSUs for a given performance period based mainly on their level and position. RSUs/PSUs vest fully after three years of continuous employment from the date of grant and if performance objectives are met for PSUs, as determined by the board of directors.

The following table summarizes RSUs/PSUs outstanding at December 31, 2025 and 2024.

Number of RSUs/PSUs	2025	2024
Outstanding, January 1	**3,578,900**	3,412,812
Granted [1]	**2,357,223**	1,236,690
Dividends credited	**377,264**	284,530
Settled	**(1,184,961)**	(1,296,656)
Forfeited	**(159,573)**	(58,476)
Outstanding, December 31	**4,968,853**	3,578,900
Vested, December 31 [2]	**1,238,636**	1,090,574

(1) *The weighted average fair value of the RSUs/PSUs granted was $35 in 2025 and $50 in 2024.*
(2) *The RSUs/PSUs vested on December 31, 2025 were fully settled in February 2026 with BCE common shares and/or DSUs.*

DSUs

Eligible bonuses and RSUs may be paid in the form of DSUs when executives or other eligible employees elect or are required to participate in the plan. The value of a DSU at the issuance date is equal to the value of one BCE common share. For non-management directors, compensation is paid in DSUs until the minimum share ownership requirement is met; thereafter, at least 50% of their compensation is paid in DSUs. There are no vesting requirements relating to DSUs. Dividends in the form of additional DSUs are credited to the participant's account on each dividend payment date and are equivalent in value to the dividends paid on BCE common shares. DSUs are settled when the holder leaves the company.

At December 31, 2025 and 2024, there were 2,264,207 and 3,560,305 DSUs outstanding, respectively.

Stock options

Under BCE's long-term incentive plans, BCE may grant options to executives to buy BCE common shares. The subscription price of a grant is based on the higher of:

- the volume-weighted average of the trading price on the trading day immediately prior to the effective date of the grant
- the volume-weighted average of the trading price for the last five consecutive trading days ending on the trading day immediately prior to the effective date of the grant

At December 31, 2025, in addition to the stock options outstanding, 6,477,438 common shares were authorized for issuance under these plans. Options vest after three years of continuous employment from the date of grant. Vested options can be exercised for a period of ten years from the date of grant.

The following table summarizes stock options outstanding at December 31, 2025 and 2024.

	2025		2024	
	Number of options	Weighted average exercise price ($)	Number of options	Weighted average exercise price ($)
Outstanding, January 1	**6,545,819**	**61**	7,484,561	61
Forfeited or expired	**(1,042,645)**	**57**	(938,742)	59
Outstanding and exercisable, December 31	**5,503,174**	**62**	6,545,819	61

The following table provides additional information about BCE's stock option plans at December 31, 2025 and 2024.

	Stock options outstanding					
	2025			2024		
Range of exercise prices	Number	Weighted average remaining life (years)	Weighted average exercise price ($)	Number	Weighted average remaining life (years)	Weighted average exercise price ($)
$50-$59	**2,348,283**	**3**	**58**	3,390,928	3	58
$60 & above	**3,154,891**	**4**	**65**	3,154,891	5	65
	5,503,174	**4**	**62**	6,545,819	4	61

Note 33 Additional cash flow information

The following tables provide reconciliations of changes in assets and liabilities arising from financing activities.

	Note	Debt due within one year and long-term debt	Derivative to hedge foreign currency on debt [1]	Dividends payable	Other liabilities [2]	Total
January 1, 2025		**40,504**	**(975)**	**933**	**5**	**40,467**
Cash flows from (used in) financing activities						
Increase in notes payable		**475**	**(23)**	**—**	**—**	**452**
Issue of long-term debt		**7,809**	**—**	**—**	**—**	**7,809**
Repayment of supplier finance arrangements [2]		**(79)**	**—**	**—**	**—**	**(79)**
Repayment of long-term debt		**(10,013)**		**—**	**—**	**(10,013)**
Cash dividends paid on common and preferred shares		**—**	**—**	**(2,177)**	**—**	**(2,177)**
Cash dividends paid by subsidiaries to non-controlling interests	37	**—**	**—**	**(51)**	**—**	**(51)**
Other financing activities		**(74)**	**—**	**—**	**(115)**	**(189)**
Total cash flows used in financing activities excluding equity		**(1,882)**	**(23)**	**(2,228)**	**(115)**	**(4,248)**
Non-cash changes arising from						
Increase in lease liabilities		**850**	**—**	**—**	**—**	**850**
Dividends declared on common and preferred shares		**—**	**—**	**2,305**	**—**	**2,305**
Dividends declared by subsidiaries to non-controlling interests		**—**	**—**	**51**	**—**	**51**
Effect of changes in foreign exchange rates		**(664)**	**664**	**—**	**—**	**—**
Business acquisitions	4	**2,757**	**—**	**—**	**—**	**2,757**
Common shares issued under dividend reinvestment plan		**—**	**—**	**(633)**	**—**	**(633)**
Net early redemption (gains) losses on U.S. and CAD debentures		**(599)**	**122**	**—**	**116**	**(361)**
Additions to supplier finance arrangements		**47**	**—**	**—**	**—**	**47**
Reclass to liabilities held for sale	17	**(7)**	**—**	**—**	**—**	**(7)**
Other		**53**	**20**	**(3)**	**—**	**70**
Total non-cash changes		**2,437**	**806**	**1,720**	**116**	**5,079**
December 31, 2025		**41,059**	**(192)**	**425**	**6**	**41,298**

(1) *Included in* Other current assets, Other non-current assets, Trade payables and other liabilities *and* Other non-current liabilities *in the statements of financial position.*

(2) *Included in* Repayment of long-term debt *in the statements of cash flows.*

	Note	Debt due within one year and long-term debt	Derivative to hedge foreign currency on debt [1]	Dividends payable	Other liabilities [2]	Total
January 1, 2024		36,177	(153)	910	78	37,012
Cash flows from (used in) financing activities						
Increase in notes payable		1,817	128	—	—	1,945
Issue of long-term debt		3,834	—	—	—	3,834
Repayment of supplier finance arrangements [2]		(78)	—	—	—	(78)
Repayment of long-term debt		(3,289)	64	—	—	(3,225)
Cash dividends paid on common and preferred shares		—	—	(3,800)	—	(3,800)
Cash dividends paid by subsidiaries to non-controlling interests	37	—	—	(68)	—	(68)
Other financing activities		(27)	—	—	(4)	(31)
Total cash flows from (used in) financing activities excluding equity		2,257	192	(3,868)	(4)	(1,423)
Non-cash changes arising from						
Increase in lease liabilities		774	—	—	—	774
Dividends declared on common and preferred shares		—	—	3,827	—	3,827
Dividends declared by subsidiaries to non-controlling interests		—	—	68	—	68
Effect of changes in foreign exchange rates		987	(987)	—	—	—
Business acquisitions	4	120	—	—	—	120
Reclassification to liabilities held for sale	17	(10)	—	—	—	(10)
Additions to supplier finance arrangements		58	—	—	—	58
Other		141	(27)	(4)	(69)	41
Total non-cash changes		2,070	(1,014)	3,891	(69)	4,878
December 31, 2024		40,504	(975)	933	5	40,467

(1) *Included in* Other current assets, Other non-current assets, Trade payables and other liabilities *and* Other non-current liabilities *in the statements of financial position.*
(2) *Included in* Repayment of long-term debt *in the statements of cash flows.*

Note 34 Remaining performance obligations

The following table shows revenues expected to be recognized in the future related to performance obligations that are unsatisfied (or partially unsatisfied) as at December 31, 2025.

	2026	2027	2028	2029	2030	Thereafter	Total
Bell CTS Canada	3,397	1,703	561	310	205	494	6,670
Bell CTS U.S.	13	3	3	3	1	3	26
Total	**3,410**	**1,706**	**564**	**313**	**206**	**497**	**6,696**

When estimating minimum transaction prices allocated to the remaining unfulfilled, or partially unfulfilled, performance obligations, BCE applied the practical expedient to not disclose information about remaining performance obligations that have an original expected duration of one year or less and for those contracts where we bill the same value as that which is transferred to the customer.

Note 35 Commitments and contingencies

Commitments

The following table is a summary of our contractual obligations at December 31, 2025 that are due in each of the next five years and thereafter.

	2026	2027	2028	2029	2030	Thereafter	Total
Commitments for property, plant and equipment and intangible assets	1,355	1,391	522	454	429	1,588	**5,739**
Purchase obligations	893	607	464	398	343	642	**3,347**
Leases committed not yet commenced	15	22	23	24	24	64	**172**
Total	**2,263**	**2,020**	**1,009**	**876**	**796**	**2,294**	**9,258**

Our commitments for property, plant and equipment and intangible assets include program and feature film rights and investments to expand and update our networks to meet customer demand.

Purchase obligations consist of contractual obligations under service and product contracts for operating expenditures and other purchase obligations.

Our commitments for leases not yet commenced include real estate, OOH advertising spaces and fibre use. These leases are non-cancellable.

Contingencies

As part of its ongoing review of wholesale Internet rates, on October 6, 2016, the Canadian Radio-television and Telecommunications Commission (CRTC) significantly reduced, on an interim basis, some of the wholesale rates that Bell Canada and other major providers charge for access by third-party Internet resellers to fibre-to-the-node (FTTN) or cable networks, as applicable. On August 15, 2019, the CRTC further reduced the wholesale rates that Internet resellers pay to access network infrastructure built by facilities-based providers like Bell Canada, with retroactive effect back to March 2016.

The August 2019 decision was stayed, first by the Federal Court of Appeal and then by the CRTC, with the result that it never came into effect. In response to review and vary applications filed by each of Bell Canada, five major cable carriers (Cogeco Communications Inc., Bragg Communications Inc. (Eastlink), Rogers Communications Canada Inc., Shaw Communications Inc. and Videotron Ltée) and Telus Communications Inc., the CRTC issued Decision 2021-181 on May 27, 2021, which mostly reinstated the rates prevailing prior to August 2019 with some reductions to the Bell Canada rates with retroactive effect to March 2016. As a result, in Q2 2021, we recorded a reduction in revenue of $44 million in our income statements.

While there remains a requirement to refund monies to third-party Internet resellers, the establishment of final wholesale rates that are similar to those prevailing since 2019 reduces the impact of the CRTC's long-running review of wholesale Internet rates. The largest reseller, TekSavvy Solutions Inc. (TekSavvy), obtained leave to appeal the CRTC's decision of May 27, 2021 before the Federal Court of Appeal. On July 22, 2024, the Federal Court of Appeal issued a decision rejecting TekSavvy's appeal of Decision 2021-181 pursuant to which the CRTC had, in May 2021, mostly reinstated wholesale Internet rates prevailing prior to August 2019. On September 30, 2024, TekSavvy sought leave to appeal that decision to the Supreme Court of Canada. On March 27, 2025, the Supreme Court of Canada dismissed TekSavvy's application for leave to appeal. The decision was also challenged in three petitions brought by TekSavvy, the Canadian Network Operators Consortium Inc. and National Capital Freenet before Cabinet, but on May 26, 2022, Cabinet announced it would not alter the decision.

In the ordinary course of business, we become involved in various claims and legal proceedings seeking monetary damages and other relief. In particular, because of the nature of our consumer-facing business, we are exposed to class actions pursuant to which substantial monetary damages may be claimed. Due to the inherent risks and uncertainties of the litigation process, we cannot predict the final outcome or timing of claims and legal proceedings. Subject to the foregoing, and based on information currently available and management's assessment of the merits of the claims and legal proceedings pending at March 5, 2026, management believes that the ultimate resolution of these claims and legal proceedings is unlikely to have a material and negative effect on our financial statements. We believe that we have strong defences and we intend to vigorously defend our positions.

Note 36 Related party transactions

Subsidiaries

The following table shows BCE's significant subsidiaries at December 31, 2025. BCE has other subsidiaries which have not been included in the table as each represents less than 10% individually and less than 20% in aggregate of total consolidated revenues.

All of these significant subsidiaries are incorporated in Canada and provide services to each other in the normal course of operations. The value of these transactions is eliminated on consolidation.

	Ownership percentage	
Subsidiary	**2025**	**2024**
Bell Canada	**100%**	100%
Bell Mobility Inc.	**100%**	100%
Bell Media Inc.	**100%**	100%

Transactions with joint arrangements and associates

During 2025 and 2024, BCE provided communication services and received programming content and other services in the normal course of business on an arm's length basis to and from its joint ventures and associates. Our joint ventures and associates include MLSE, up to the completion of the sale on July 1, 2025, Glentel Inc. and Dome Productions Partnership. From time to time, BCE may be required to make capital contributions to its investments.

In 2025, BCE recognized revenues and incurred expenses with our joint ventures and associates of $16 million (2024 – $9 million) and $145 million (2024 – $150 million), respectively.

BCE Master Trust Fund

Bimcor Inc. (Bimcor), a wholly-owned subsidiary of Bell Canada, is the administrator of the Master Trust Fund. Bimcor recognized management fees of $14 million for 2025 and 2024 from the Master Trust Fund. The details of BCE's post-employment benefit plans are set out in Note 28, *Post-employment benefit plans*.

Compensation of key management personnel

The following table includes compensation of key management personnel for the years ended December 31, 2025 and 2024 included in our income statements. Key management personnel have the authority and responsibility for overseeing, planning, directing and controlling our business activities and consists of our Board of Directors and our Executive Leadership Team.

For the year ended December 31	**2025**	**2024**
Wages, salaries, fees and related taxes and benefits	**(18)**	(19)
Post-employment benefit plans and OPEBs cost	**(3)**	(3)
Share-based compensation	**(32)**	(26)
Key management personnel compensation expense	**(53)**	(48)

Note 37 Significant partly-owned subsidiary

The following tables show summarized financial information for our subsidiary with significant non-controlling interest (NCI).

Summarized statements of financial position

	CTV Specialty [1]	
For the year ended December 31	**2025**	**2024**
Current assets	**400**	423
Non-current assets	**768**	733
Total assets	**1,168**	1,156
Current liabilities	**164**	164
Non-current liabilities	**99**	92
Total liabilities	**263**	256
Total equity attributable to BCE shareholders	**634**	631
NCI	**271**	269

(1) *At December 31, 2025 and 2024, the ownership interest held by NCI in CTV Specialty Television Inc. (CTV Specialty) was 29.9%. CTV Specialty was incorporated and operated in Canada as at such dates.*

Selected income and cash flow information

	CTV Specialty [1]	
For the year ended December 31	**2025**	**2024**
Operating revenues	**970**	991
Net earnings	**179**	100
Net earnings attributable to NCI	**54**	31
Total comprehensive income	**174**	108
Total comprehensive income attributable to NCI	**52**	34
Cash dividends paid to NCI	**51**	68

(1) *CTV Specialty's net earnings and total comprehensive income include nil and $2 million directly attributable to NCI for 2025 and 2024, respectively.*

Reports on internal controls

Management's report on internal control over financial reporting

The management of BCE Inc. (BCE) is responsible for establishing and maintaining adequate internal control over financial reporting. Our internal control over financial reporting is a process designed under the supervision of the President and Chief Executive Officer and the Executive Vice-President and Chief Financial Officer and effected by the board of directors, management and other personnel of BCE, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB).

Due to its inherent limitations, internal control over financial reporting may not prevent or detect misstatements on a timely basis. Also, projections of any evaluation of the effectiveness of internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management evaluated, under the supervision of and with the participation of the President and Chief Executive Officer and the Executive Vice-President and Chief Financial Officer, the effectiveness of our internal control over financial reporting as at December 31, 2025, based on the criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Management's evaluation of and conclusion on the effectiveness of our internal control over financial reporting did not include an evaluation of the internal control over financial reporting of Ziply Fiber, which we acquired on August 1, 2025. The contribution of Ziply Fiber operations to our consolidated financial statements for the year ended December 31, 2025 was approximately 2% of consolidated revenues and (1%) of consolidated net earnings. Additionally, at December 31, 2025, the current assets and current liabilities of Ziply Fiber represented approximately 2% and 2% of our consolidated current assets and current liabilities, respectively, and the non-current assets and non-current liabilities of Ziply Fiber represented approximately 12% and 1% of our consolidated non-current assets and non-current liabilities, respectively.

Based on that evaluation, which excluded the internal control over financial reporting of Ziply Fiber, the President and Chief Executive Officer and the Executive Vice-President and Chief Financial Officer concluded that our internal control over financial reporting was effective as at December 31, 2025. There were no material weaknesses that have been identified by BCE's management in internal control over financial reporting as at December 31, 2025.

Our internal control over financial reporting as at December 31, 2025 has been audited by Ernst & Young LLP, independent registered public accounting firm, who also audited our consolidated financial statements for the year ended December 31, 2025. Ernst & Young LLP issued an unqualified opinion on the effectiveness of our internal control over financial reporting as at December 31, 2025.

(signed) Mirko Bibic
President and Chief Executive Officer

(signed) Curtis Millen
Executive Vice-President and Chief Financial Officer

(signed) Thierry Chaumont
Senior Vice-President, Controller and Tax

March 5, 2026

Report of independent registered public accounting firm

To the shareholders and the Board of Directors of BCE Inc.

Opinion on internal control over financial reporting

We have audited BCE Inc.'s internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), (the COSO criteria). In our opinion, BCE Inc. (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on the COSO criteria.

As indicated in the accompanying Management's Report on Internal Control over Financial Reporting, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls over financial reporting of Northwest Fiber Holdco, LLC (doing business as Ziply Fiber ("Ziply Fiber")), which was acquired on August 1, 2025. Ziply Fiber contributed approximately 2% of the Company's consolidated revenues and (1%) of the Company's consolidated net earnings for the year ended December 31, 2025. Additionally, at December 31, 2025, the current assets and current liabilities of Ziply Fiber constituted approximately 2% and 2% of the Company's consolidated current assets and current liabilities, respectively, and the non-current assets and non-current liabilities of Ziply Fiber constituted approximately 12% and 1% of the Company's consolidated non-current assets and non-current liabilities, respectively. Our audit of internal control over financial reporting of the Company also did not include an evaluation of the internal control over financial reporting of Ziply Fiber.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements of the Company as of and for the year ended December 31, 2025 and our report dated March 5, 2026 expressed an unqualified opinion thereon.

Basis for opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and limitations of internal control over financial reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Montréal, Canada
March 5, 2026

Exhibit 99.5

Consent of Independent Registered Public Accounting Firm

We consent to the reference to our Firm under the caption “Interests of Experts”, which appears in the Annual Information Form in Exhibit 99.1 and to the use in this Annual Report on Form 40-F of our reports dated March 5, 2026, with respect to the consolidated statement of financial position of BCE Inc. (the “Company”) as of December 31, 2025 and the consolidated statements of income, comprehensive income, changes in equity and cash flows for the year ended December 31, 2025 and the effectiveness of internal control over financial reporting of the Company as of December 31, 2025.

We also consent to the incorporation by reference of the above-mentioned reports in the following Registration Statements of the Company:

1. Form S-8 nos. 333-12780, 333-12802 and 333-293345
2. Form F-10 nos. 333-279247, 333-279247-01, 333-284730 and 333-284730-01
3. Form F-3 no. 333-12130
4. Form F-3D no. 333-283289

/s/ Ernst & Young LLP

Montreal, Canada
March 6, 2026

Exhibit 99.6

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-12130 on Form F-3, Registration Statement No. 333-283289 on Form F-3D, Registration Statements Nos. 333-279247, 333-279247-01, 333-284730 and 333-284730-01 on Form F-10, and Registration Statements Nos. 333-293345, 333-12780 and 333-12802 on Form S-8, and to the use of our report dated March 6, 2025, relating to the financial statements of BCE Inc. appearing in this Annual Report of BCE Inc. on Form 40-F for the year ended December 31, 2025.

/s/ Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
Toronto, Canada
March 6, 2026

Exhibit 99.7

NOTICE OF RELIANCE
SECTION 13.4 OF NATIONAL INSTRUMENT 51-102
CONTINUOUS DISCLOSURE OBLIGATIONS

To: Alberta Securities Commission
British Columbia Securities Commission
Manitoba Securities Commission
Financial and Consumer Services Commission, New Brunswick
Office of the Superintendent of Securities, Newfoundland and Labrador
Nova Scotia Securities Commission
Ontario Securities Commission
Department of Justice and Public Safety, Financial and Consumer Services Division, Prince Edward Island
Autorité des marchés financiers
Financial and Consumer Affairs Authority of Saskatchewan
Toronto Stock Exchange

Notice is hereby given that Bell Canada relies on the continuous disclosure documents filed by BCE Inc. pursuant to the exemption from the requirements of National Instrument 51-102 – Continuous Disclosure Obligations ("NI 51-102") provided in Section 13.4 of NI 51-102.

The continuous disclosure documents of BCE Inc. can be found for viewing in electronic format at www.sedarplus.ca.

Attached to this notice and forming part thereof is the consolidating summary financial information for BCE Inc. as required by Section 13.4 of NI 51-102.

Dated: March 6, 2026

BELL CANADA

By: *(signed) Thierry Chaumont*
Name: Thierry Chaumont
Title: Senior Vice-President, Controller and Tax

Bell

BELL CANADA

UNAUDITED SELECTED SUMMARY FINANCIAL INFORMATION [1]

For the periods ended December 31, 2025 and 2024
(in millions of Canadian dollars)

BCE Inc. fully and unconditionally guarantees the payment obligations of its 100% owned subsidiary Bell Canada under the public debt issued by Bell Canada. Accordingly, the following summary financial information is provided by Bell Canada in compliance with the requirements of section 13.4 of National Instrument 51-102 (Continuous Disclosure Obligations) providing for an exemption for certain credit support issuers. The tables below contain selected summary financial information for (i) BCE Inc. (as credit supporter), (ii) Bell Canada (as credit support issuer) on a consolidated basis, (iii) BCE Inc.'s subsidiaries, other than Bell Canada, on a combined basis, (iv) consolidating adjustments, and (v) BCE Inc. and all of its subsidiaries on a consolidated basis, in each case for the periods indicated. Such summary financial information for BCE Inc. and Bell Canada and all other subsidiaries is intended to provide investors with meaningful and comparable financial information about BCE Inc. and its subsidiaries. This summary financial information should be read in conjunction with BCE Inc.'s audited consolidated financial statements for the year ended December 31, 2025.

For the periods ended December 31:

	BCE INC. ("CREDIT SUPPORTER") [2]		BELL CANADA CONSOLIDATED ("CREDIT SUPPORT ISSUER")		SUBSIDIARIES OF BCE INC. OTHER THAN BELL CANADA [3]		CONSOLIDATING ADJUSTMENTS [4]		BCE INC. CONSOLIDATED	
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024
Operating revenues	**—**	—	**24,468**	24,409	**—**	—	**—**	—	**24,468**	24,409
Net earnings from continuing operations attributable to owners	**6,460**	344	**1,839**	996	**109**	162	**(1,948)**	(1,158)	**6,460**	344
Net earnings attributable to owners	**6,460**	344	**1,839**	996	**109**	162	**(1,948)**	(1,158)	**6,460**	344

As at December 31, 2025 and December 31, 2024, respectively:

	BCE INC. ("CREDIT SUPPORTER") [2]		BELL CANADA CONSOLIDATED ("CREDIT SUPPORT ISSUER")		SUBSIDIARIES OF BCE INC. OTHER THAN BELL CANADA [3]		CONSOLIDATING ADJUSTMENTS [4]		BCE INC. CONSOLIDATED	
	Dec. 31, 2025	Dec. 31, 2024	**Dec. 31, 2025**	Dec. 31, 2024	**Dec. 31, 2025**	Dec. 31, 2024	**Dec. 31, 2025**	Dec. 31, 2024	**Dec. 31, 2025**	Dec. 31, 2024
Total Current Assets	**1,156**	711	**7,451**	12,409	**255**	146	**(1,455)**	(4,343)	**7,407**	8,923
Total Non-current Assets	**22,970**	21,495	**65,939**	57,915	**21**	21	**(16,172)**	(14,869)	**72,758**	64,562
Total Current Liabilities	**965**	5,022	**13,265**	14,086	**81**	81	**(1,455)**	(4,343)	**12,856**	14,846
Total Non-current Liabilities	**141**	113	**43,303**	40,603	**—**	—	**555**	563	**43,999**	41,279

[1] The summary financial information is prepared in accordance with IFRS® Accounting Standards and is in accordance with generally accepted accounting principles issued by the Canadian Accounting Standards Board for publicly-accountable enterprises.

[2] This column accounts for investments in all subsidiaries of BCE Inc. under the equity method.

[3] This column accounts for investments in all subsidiaries of BCE Inc. (other than Bell Canada) on a consolidated basis.

[4] This column includes the necessary amounts to eliminate the intercompany balances between BCE Inc., Bell Canada and other subsidiaries and other adjustments to arrive at the information for BCE Inc. on a consolidated basis.

Exhibit 99.8

BCE Inc.

EXHIBIT TO 2025 ANNUAL FINANCIAL STATEMENTS

EARNINGS COVERAGE

The following consolidated financial ratios are calculated for the twelve months ended December 31, 2025, give effect to the issuance and redemption of all long-term debt since January 1, 2025 as if these transactions occurred on January 1, 2025, and are based on unaudited financial information of BCE Inc.

	December 31, 2025
Earnings coverage of interest on debt requirements based on net earnings attributable to owners of BCE Inc. before interest expense and income tax:	4.6 times
Earnings coverage of interest on debt requirements based on net earnings attributable to owners of BCE Inc. before interest expense, income tax and non-controlling interest:	4.7 times

Exhibit 99.31

CERTIFICATIONS

I, Mirko Bibic, certify that:

1. I have reviewed this annual report on Form 40-F of BCE Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: March 6, 2026

(signed) Mirko Bibic
Mirko Bibic
President and Chief Executive Officer
BCE Inc.

CERTIFICATIONS

I, Curtis Millen, certify that:

1. I have reviewed this annual report on Form 40-F of BCE Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: March 6, 2026

(signed) Curtis Millen
Curtis Millen
Executive Vice-President and Chief Financial Officer
BCE Inc.

Exhibit 99.32

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. Section 1350), as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, each of the undersigned officers of BCE Inc. (the "Company"), does hereby certify that:

the annual report on Form 40-F for the year ended December 31, 2025 of the Company (the "Form 40-F") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and the information contained in the Form 40-F fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 6, 2026

(signed) Mirko Bibic

Mirko Bibic
President and Chief Executive Officer
BCE Inc.

Date: March 6, 2026

(signed) Curtis Millen

Curtis Millen
Executive Vice-President and Chief Financial Officer
BCE Inc.