Q2 2024 Results Conference Call

August 1, 2024

Bell

Safe harbour notice

Certain statements made in this presentation are forward-looking statements. These forward-looking statements include, but are not limited to, statements relating to BCE's financial guidance (including revenue, adjusted EBITDA, capital intensity, adjusted EPS and free cash flow), BCE's 2024 annualized common share dividend, the proposed disposition of Northwestel and the intended use by Bell Canada of the proceeds from the proposed disposition, BCE's planned reduction in 2024 capital expenditures, the expectation of stronger BCE consolidated service revenue and adjusted EBITDA growth for the balance of 2024, the extent to which the proceeds from the proposed disposition of Northwestel are expected to improve BCE's net debt leverage ratio, BCE's business outlook, objectives, plans and strategic priorities, and other statements that are not historical facts. A statement we make is forward-looking when it uses what we know and expect today to make a statement about the future. Forward-looking statements are typically identified by the words *assumption*, *goal*, *guidance*, *objective*, *outlook*, *project*, *strategy, target*, *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 United States *Private Securities Litigation Reform Act of 1995*.

Forward-looking statements, by their very nature, are subject to inherent risks and uncertainties and are based on several assumptions, both general and specific, which give rise to the possibility that actual results or events could differ materially from our expectations expressed in or implied by such forward-looking statements. These statements are not guarantees of future performance or events, and we caution you against relying on any of these forward-looking statements. For a description of such assumptions and risks, please consult BCE's 2023 Annual MD&A dated March 7, 2024, as updated in BCE's 2024 First and Second Quarter MD&As dated May 1, 2024 and July 31, 2024, respectively, and BCE's news release dated August 1, 2024 announcing its financial results for the second quarter of 2024, all filed with the Canadian provincial securities regulatory authorities (available at sedarplus.ca) and with the U.S. Securities and Exchange Commission (available at sec.gov), and which are also available on BCE's website at BCE.ca. The forward-looking statements contained in this presentation describe our expectations at August 1, 2024 and, accordingly, are subject to change after such date. Except as may be required by applicable securities laws, we do not undertake any obligation to update or revise any forward-looking statements contained in this presentation, whether as a result of new information, future events or otherwise.

Q2 highlights & progress on strategic priorities

Financial performance

- **Consistent, disciplined execution in a highly competitive market environment**
- **Adjusted EBITDA(1) up 2.0% y/y, delivering margin(2) increase of 1.3 points to 44.9%**
- **Net earnings up 52.1% y/y**
- **Free cash flow(3) 8.0% higher y/y; Cash flows from operating activities down 9.6% y/y**

High-value wireless subscribers

- **131,043 total mobile phone subscriber net additions, up 4.4% y/y**
- **87,917 mobile connected device net additions, up 10.5% y/y**
- **Deployment of 3800 MHz spectrum in select areas of GTA, enabling speeds of up to 4Gbps**

Broadband growth & multi-product bundling

- **Highest Q2 consumer retail Internet net additions in 17 years**
- **Households in fibre footprint subscribing to Mobility + Internet bundles up 18% y/y**
  - 41% of new retail Internet activations subscribing to a service bundle with wireless
- **Bell's Pure Fibre Internet leads all competitors in speed and quality(4)**

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

(2) Adjusted EBITDA margin is defined as adjusted EBITDA divided by operating revenue

(3) Free cash flow (FCF) is a non-GAAP financial measure. Refer to section *Non-GAAP financial measures* in the Appendix to this document for more information on this measure

(4) Ookla: Based on analysis by Ookla, a web testing and network diagnostics company, of Speedtest Intelligence data of fixed and Wi-Fi nationally aggregated Speed Score results for Q1-Q2 2023 and Q1-Q2 2024; Opensignal: Fixed Broadband Experience Report May 2024, based on independent analysis of fixed broadband measurements recorded during the period Feb 1 – Apr 30, 2024

Q2 highlights & progress on strategic priorities (cont'd)

Digital-first media strategy

- **Digital advertising revenues[1] up 35% y/y**
- **New ad offerings and partnerships announced at June Upfront**
  - Strategic sales partnerships with TikTok's premium advertising product (Pulse Premiere) and Dotdash
  - Launched Bell Ads for Business, a self-serve digital ad buying platform for local advertisers
  - Expanded distribution for 10 new FAST channels: LG Channels, Samsung TV Plus, Plex and Roku Channel

Accelerating transformation & focus on key growth areas

- **Acquisition of Canadian tech services companies Stratejm and CloudKettle, strengthening managed cybersecurity and Salesforce digital workflow automation capabilities**
- **Expanded strategic partnership with ServiceNow**
- **Sale of Northwestel to Sixty North Unity for up to $1 billion in cash**
  - Transaction proceeds to be used to pay down debt
- **Transition of 167 The Source retail stores to Best Buy Express began in June**
  - Closure of remaining 107 The Source stores completed

Leveraging technology & automation to drive efficiencies

- **AI enablers contributed to Customer Operations labour cost savings of $20M in Q2**
- **Pioneered self-serve Virtual Repair tool eliminating call wait times and technician visits**
- **Launched the first Google AI-powered infobot in Canada**
- **AI-powered Dynamic Call Routing model pairs customers with the right agent**
- **Virtual Agent first launched on Lucky Mobile chat, now available on Bell and Virgin brands**
- **Generative AI being used for call quality assurance, natural language processing and to generate retention offers in real time**

Strong execution, financial discipline, focus on cost reduction and positioning Bell for future growth remain top priorities

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[1] Digital advertising revenues are comprised of advertising revenue from digital platforms including web sites, mobile apps, connected TV apps and OOH digital assets/platforms, as well as advertising procured through Bell digital buying platforms

Q2 operating metrics

Wireless

131,043

Mobile phone net adds
Up 4.4% y/y

- Gross adds up 14.4% y/y

1.18%

Postpaid churn rate
Up 0.24 pts y/y

- 2nd straight quarter of improvement in y/y rate of increase

52,543

Prepaid net adds
Up 269% y/y

- Gross adds up 19.9% y/y
- Churn improvement of 0.08 pts to 4.6%

$58.04

Blended ARPU(1)
Down 1.9% y/y

- Improved ARPU trajectory in June

(1) ARPU is defined as Bell CTS wireless external services revenues, divided by the average mobile phone subscriber base for the specified period, expressed as a dollar unit per month. In Q1 2024, we adjusted our mobile phone postpaid subscriber base to remove very low to non-revenue generating business market subscribers of 105,802.

Wireline

23,841

Retail Internet net adds
2nd best Q2 result since 2007 after Q2'23

23%

Mobility + Internet sales growth

- 48% of residential households now subscribe to an M+I service bundle

(1,313)

Retail IPTV net adds
Down 12.8K y/y

- Fibe TV app gross adds down y/y, due to rate increase for new subscribers

53,250

Retail residential NAS net losses
Up 7.3% y/y

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

(3) CTV: Numeris, 2023-24 broadcast YTD, Total Canada

Media

1.9%

Advertising revenue growth

- 2nd consecutive quarter of growth

23%

Digital revenue(2) growth

- Crave DTC subscribers up 21% y/y
- Sports DTC subscribers up 114%

English TV

CTV #1 for 23rd straight year(3)

- Most-watched F1 race on record(4)
- Record-breaking audiences for 2024 COPA América(5)

French TV

#1 Entertainment Specialty/Pay(6)

- 2 of top 5 channels & 3 of top 5 shows(7)
- Noovo full-day audiences up 8% y/y(8)

(4) F1 AWS Grand Prix du Canada: Numeris, TSN/CTV/RDS/Noovo, Total Canada, P2+, on record in the PPM era
(5) Numeris: Total Canada, TSN/CTV, P2+
(6) Numeris, French Quebec, Q2'24, Rank among French Entertainment Specialty & Pay broadcasters, P2+
(7) Numeris, French Quebec, Q2'24, Rank among French Entertainment Specialty channels and regular shows (3+ airings), A25-54
(8) Numeris, French Quebec, Q2'24, A25-54

Leveraging our broadband networks and products to deliver profitable, margin-accretive customer growth with higher product intensity

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Financial Results

Consolidated financial results

($M) except per share data	Q2'24	Y/Y
Revenue	**6,005**	**(1.0%)**
Service	5,308	0.1%
Product	697	(8.7%)
Adjusted EBITDA	**2,697**	**2.0%**
Margin	44.9%	1.3 pts
Net earnings	**604**	**52.1%**
Statutory EPS	**0.59**	**59.5%**
Adjusted EPS[1]	**0.78**	**(1.3%)**
Capital expenditures (capex)	**978**	**25.2%**
Capital Intensity[2]	16.3%	5.2 pts
Cash flows from operating activities	**2,137**	**(9.6%)**
Free cash flow (FCF)	**1,097**	**8.0%**

(1) Adjusted EPS is a non-GAAP ratio. Refer to section *Non-GAAP ratios* in the Appendix to this document for more information on this measure.

(2) Capital intensity is defined as capital expenditures divided by operating revenues.

- **Return to positive service revenue growth**
- **Revenue down 1.0% y/y, driven by 8.7% decrease in low-margin product revenue**
- **Adjusted EBITDA up 2.0% y/y, driving 1.3-point margin increase to 44.9%**
- **Net earnings up 52.1% y/y**
  - $377M non-cash loss recorded in Q2'23 related to a BCE joint venture equity investment
- **Adjusted EPS down 1.3% y/y, due to increased interest, depreciation & amortization expense as contemplated in 2024 guidance assumptions**
- **Cash flows from operating activities down 9.6% y/y, reflecting higher severance and interest paid, and decreased working capital**
- **FCF up 8.0% y/y**
  - Consistent with planned reduction of at least $500M in 2024, capex down $329M in Q2

Positive service revenue and adjusted EBITDA growth delivered in Q2

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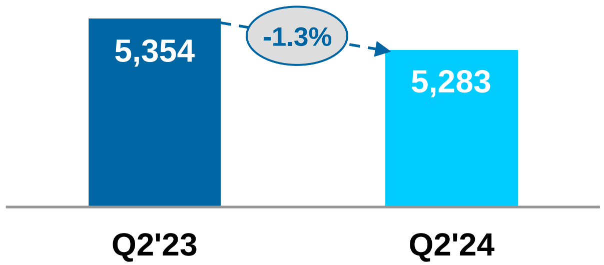
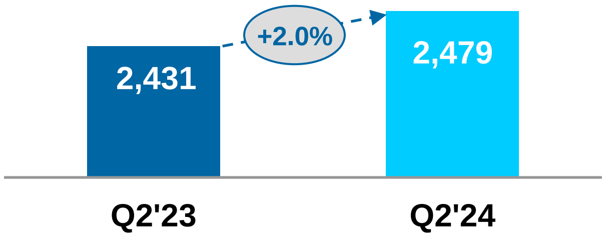
Bell Communication & Technology Services

Revenue ($M)



Adjusted EBITDA ($M)



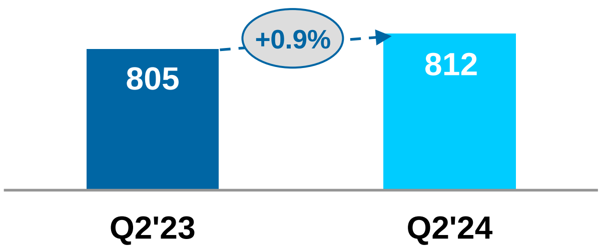
- **Product revenue down $66M in Q2, representing 93% of the 1.3% y/y decline in total revenue**
  - Lower mobile phone contracted sales with 70% of new activations on BYOD, revenue elimination from The Source and decreased business wireline data product sales following supply chain recovery in 2023
- **1.2% wireless service revenue growth moderated by sustained competitive pricing pressures**
- **Total Internet revenue up ~3% y/y**
- **Wireline business solutions revenue [1] up 22%, driven by higher y/y sales of cloud, cybersecurity and digital workflow automation services**
- **Adjusted EBITDA up 2.0% y/y**

Adjusted EBITDA margin up 1.5 pts y/y to 46.9%, reflecting disciplined subscriber acquisition and ongoing focus on operational efficiencies

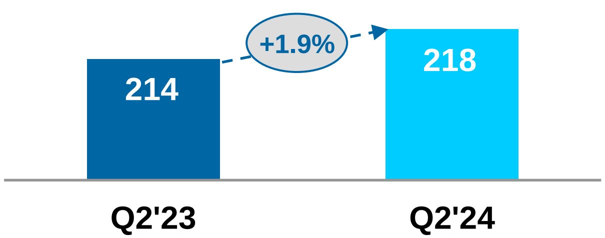
(1) Business solutions revenues are comprised of managed services, which include network management, voice management, hosting and security, and professional services, which include consulting, integration and resource services.

Bell Media

Revenue ($M)



Adjusted EBITDA ($M)



- **Total revenue up 0.9% y/y**
  - 1.9% advertising growth reflects stronger y/y specialty sports performance and continued digital momentum
  - F1 Canadian Grand Prix growth and higher international sales of Bell Media programming
  - OUTFRONT Media acquisition completed in June
- **Total digital revenues up 23% y/y**
  - Represents 41% of total media revenues, up 8 pts y/y
- **Adjusted EBITDA 1.9% higher y/y**
  - Operating costs up 0.5% y/y as higher TV content costs effectively offset by cost savings from restructuring initiatives over the past year

1st quarter of revenue and adjusted EBITDA growth since Q2'22

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Balance sheet & liquidity update

Available liquidity[1]

$5.0B

incl. ~$1.4B in cash

*At June 30, 2024

Net debt leverage ratio[1]

3.7x

*At June 30, 2024

Solvency ratio[2]

~121%

*Aggregate of BCE DB plans at June 30, 2024

- **$5.0B total available liquidity at end of Q2**
  - $1.5B public debt offering completed in May 2024
- **Net debt leverage of 3.7x reflects final 3800 MHz spectrum payment of $414M in Q2**
  - 2025 maturities totalling $2.1B already largely pre-funded
  - Weighted average annual after-tax cost of public debt of ~3.2% with average term to maturity of ~13 years
- **Northwestel transaction to improve net debt leverage ratio**
- **Solvency ratio remains comfortably above 105% for all major BCE DB pension plans**

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

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

Strong balance sheet with sufficient liquidity to execute on strategic priorities for 2024

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Financial targets for 2024

BCE	2024 guidance
Revenue growth	0% to 4%
Adjusted EBITDA growth	1.5% to 4.5%
Capital intensity[1]	<16.5%
Adjusted EPS growth[2]	(7%) to (2%)
Free cash flow growth[3]	(11%) to (3%)
Annual common share dividend[4]	$3.99

(1) For 2024, we expect a slowdown in fibre build and lower spending in declining and overly regulated businesses, due to government regulatory policies, to drive lower capex.

(2) For 2024, we expect increased interest expense, higher depreciation and amortization expense, and lower gains on sale of real estate to drive lower adjusted EPS.

(3) For 2024, we expect higher severance payments related to workforce restructuring intiatives, higher interest paid and lower cash from working capital to drive lower free cash flow.

(4) Increase to $3.99 per share from $3.87 per share effective with Q1 2024 dividend.

Reconfirming all 2024 financial guidance targets

Appendix

Non-GAAP and other financial measures

BCE uses various financial measures to assess its business performance. Certain of these measures are calculated in accordance with International Financial Reporting Standards (IFRS or GAAP) while certain other measures do not have a standardized meaning under GAAP. We believe that our GAAP financial measures, read together with adjusted non-GAAP 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: (i) non-GAAP financial measures; (ii) non-GAAP ratios; (iii) total of segments measures; (iv) capital management measures; and (v) supplementary financial measures. This Appendix identifies and classifies the specified financial measures contemplated by National Instrument 52-112 that we use in this presentation to explain our financial results except that, for supplementary financial measures, an explanation of such measures is provided where they are first referred to in this presentation if the supplementary financial measures labelling is not sufficiently descriptive.

<u>Non-GAAP financial measures</u>

Adjusted net earnings

Adjusted net earnings is a non-GAAP financial measure and it does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. Refer to section 8.1, *Non-GAAP financial measures – Adjusted net earnings*, of BCE's 2024 Second Quarter MD&A, which is incorporated by reference herein, for more information concerning this measure, including a reconciliation to net earnings attributable to common shareholders, being the most directly comparable IFRS financial measure.

Available liquidity

Available liquidity is a non-GAAP financial measure and it does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. Refer to section 8.1, *Non-GAAP financial measures – Available liquidity*, of BCE's 2024 Second Quarter MD&A, which is incorporated by reference herein, for more information concerning this measure, including a reconciliation to cash, being the most directly comparable IFRS financial measure.

Free cash flow

Free cash flow is a non-GAAP financial measure and it does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. Refer to section 8.1, *Non-GAAP financial measures – Free cash flow and excess free cash flow*, of BCE's 2024 Second Quarter MD&A, which is incorporated by reference herein, for more information concerning this measure, including a reconciliation to cash flows from operating activities, being the most directly comparable IFRS financial measure.

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

Non-GAAP financial measures (cont'd)

Net debt

Net debt is a non-GAAP financial measure and it does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. Refer to section 8.1, *Non-GAAP financial measures – Net debt*, of BCE's 2024 Second Quarter MD&A, which is incorporated by reference herein, for more information concerning this measure, including a reconciliation to long-term debt, being the most directly comparable IFRS financial measure.

Non-GAAP ratios

Adjusted EPS

Adjusted EPS is a non-GAAP ratio and it does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. We define adjusted EPS as adjusted net earnings per BCE common share. Adjusted net earnings is a non-GAAP financial measure. For further details on adjusted net earnings, refer to section *Non-GAAP financial measures* above. Refer to section 8.2, *Non-GAAP ratios – Adjusted EPS*, of BCE's 2024 Second Quarter MD&A, which is incorporated by reference herein, for more information concerning adjusted EPS.

Total of segments measures

Adjusted EBITDA

Adjusted EBITDA is a total of segments measure. Refer to section 8.3, *Total of segments measures – Adjusted EBITDA*, of BCE's 2024 Second Quarter MD&A, which is incorporated by reference herein, for more information concerning this measure, including a reconciliation to net earnings, being the most directly comparable IFRS financial measure.

Capital management measures

Net debt leverage ratio

The net debt leverage ratio is a capital management measure and represents net debt divided by adjusted EBITDA. Net debt used in the calculation of the net debt leverage ratio is a non-GAAP financial measure. For further details on net debt, refer to section *Non-GAAP financial measures* above. For the purposes of calculating our net debt leverage ratio, adjusted EBITDA is twelve-month trailing adjusted EBITDA. We use, and believe that certain investors and analysts use, the net debt leverage ratio as a measure of financial leverage.