

Bell MTS Set-Top Box Electronic Equipment Stewardship Plan Proposal for Manitoba

January 31st, 2023



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1. Purpose

This document provides a summary of Bell MTS' Electronic Equipment Stewardship Program (EESP) as it relates to the recovery, refurbishing, and recycling of Set-Top-Boxes (STBs) in the province of Manitoba. Bell MTS' EESP is guided by Bell's commitment to sustainability, industry-wide best practices, and goals to extend the lifecycle of STBs and divert e-waste from landfills. Bell MTS has been operating this EESP voluntarily since the early 2000s, and formally since its first approval by the Minister of Environment, Climate and Parks in 2018. With the intent of continuing to operate this EESP, Bell MTS is seeking to have its EESP renewed and approved once again, by the Minister of Environment, Climate and Parks.

1.1 Background

Bell MTS provides TV service to customers in Manitoba. A typical TV service installation requires a STB for each TV. If the customer wishes to have PVR service, then one PVR STB (also known as an STB in this document) is installed per customer location. Bell MTS maintains ownership of all STBs, as we operate a rental-only model and do not sell STBs to customers. As new TV service offerings are developed, the STB software and firmware are remotely uploaded over our telecommunications network to extend the useful life of STBs.

2. Program Overview

Bell MTS' EESP for STBs and accessories is exemplary of a circular economic model whereby the STBs are rented to customers who subscribe to our TV service. Bell MTS maintains 100% ownership of the STBs throughout their entire life cycle whereby the STBs are maintained, repaired, reused, and redeployed to customers wherever possible. Note that this closed-loop system and the processes described below are very similar in other provincial jurisdictions where Bell operates its TV service.

2.1 Defective STBs and Customer Repair or Exchanges

Bell MTS uses a hybrid system of both mail-back, and technician rollouts as a means to deliver exchange and repair services to customers for defective STBs.

Mail-back Process

Bell MTS offers a pre-paid mail-back option to customers whose STB is defective or requires repair through a device swap-out. To conduct a swap-out, a replacement STB is mailed to the customer, and instructions are provided to help guide the customer through the installation and return process. To return the defective STB to Bell MTS, customers are provided with a pre-paid Canada Post waybill and encouraged to package the defective STB in the box provided. Customers are then required to drop off the package at the nearest Canada Post location to be processed and sent back to our warehouse for repair. A sample of the instruction sheet provided to customers can be found in Appendix G.

Technician Rollouts

In some cases to provide repair and exchange services, a Bell MTS technician is sent to the customer's premise to replace the STB, and collect the faulty equipment. All STBs collected by Bell MTS technicians are brought back to the warehouse for repair.



2.2 Service Terminations

If a customer decides to end their TV service with Bell MTS, they are obligated to return all STBs and accessories. Upon service termination, they are sent an automated email that provides instructions on the equipment return process associated with the service they would like to cancel. An example of this email can be found in Appendix C.

To return electronic devices to Bell MTS, customers are instructed to do so through the mail-back process. Returned STBs are refurbished and redeployed wherever possible.

2.3 Penalty for Unreturned STBs

Customers who terminate their TV service with Bell MTS are informed that there will be a charge of \$75-599 (depending on the model of STB) applied to their account for each STB that is not returned. The addition of this fee typically results in the return of the STBs. In a very small percentage of cases where the customer does not return the device(s), the account is sent to a collection agency.

3. Returned STBs Reverse Logistics

All STBs and accessories that are returned to Bell MTS are sent to Bell MTS' warehouse, located at 1750 McGillivray Boulevard in Winnipeg, Manitoba. The STBs and accessories are sorted and are prepared for either; (i) refurbishment and reuse or (ii) recycling or resale. Bell MTS' goal is to repair and refurbish as many STBs as possible.

4. Repair and Refurbishment for Reuse

If STBs are deemed reusable, they are sent to CSI in Scarborough, Ontario, which is a vendor that Bell MTS utilizes to repair and refurbish STBs. CSI follows a process to inspect, test, repair, refurbish, and prepare our STBs for redeployment. This process includes the following:

- Sorting of units and accessories
- Electronic tests to determine proper operation
- Visual inspection for physical damage
- Wiping of device memory (PVR)
- Cleaning of the unit
- Replacement of damaged/dirty housing if required
- Upgrade to programming if required
- Kitting of refurbished units for redeployment
- Separation of non-repairable units for recycling

STBs that CSI is unable to refurbish are sent to our certified recycler, Quantum.

5. Recycling of Non-Reusable STBs

STBs that are not economically repairable or are models of STBs that are no longer compatible with our network are sent to our certified recycler, Quantum, located in Toronto and Barrie, Ontario. There are several environmental aspects incorporated into Bell's contract with Quantum to ensure the responsible recycling of Bell MTS' STBs and accessories. These include:



- Providing recycling services in an environmentally sound manner with a zero landfill objective
- Abiding by all environmental laws and regulations
- Maintaining industry-leading and externally verified/audited certifications such as ISO 14001,
 R2, and RQO
- Abiding by Bell's Supplier Code of Conduct
- Allowing on-site Environmental Compliance Reviews and Inspections performed by Bell's Corporate Responsibility & Environment team

Additional information regarding Quantum and further downstream recycling processes are available in Appendix E and Appendix F.

<u>6. Fees</u>

The costs associated with operating Bell MTS' EESP for STBs are internalized in our overall service delivery program budget. We do not charge our customers who rent our STBs an Environmental Handling Fee (EHF).

7. Customer Education, Communication, and Consultation

Bell MTS customers are made aware of Bell MTS' EESP and how they can return their STBs through direct communication when they first sign up for TV service and upon the termination of their service by retail store representatives, customer service agents, and technicians. If customers have further inquiries, they can find additional information (i.e. such as the STB returns process) on our website at www.bellmts.ca, contact Bell MTS customer service over the phone at 204-225-5687 or through the instant messenger application on the website.

Please see Appendix B for a depiction of information conveyed through our website.

Moving forward, Bell MTS will continue to seek out ways to enhance customer education and communication of the STB rental and recovery program through Bell's company-wide strategy of transitioning to a circular economy. This may include but it not limited to visual in-store advertisements and enhancements to the Bell MTS website.

8. Performance Measures & Targets

Bell MTS' EESP for STBs in Manitoba has been very successful in collecting the majority of STBs for return. With our rental-only model, simple return process, and accessible customer service, the program achieved historical recovery rates of 80% or higher annually. Moving forward, we expect to maintain a similar high recovery rate for STBs and accessories. The success of Bell MTS' EESP program from 2019 to 2021 is reflected in the table below.

| 2019 – 2021 Bell MTS STB Electronic Equipment Stewardship Program (EESP) Results | | |
|---|--------|--|
| Customer Deactivations | 26,586 | |
| Average STBs Per Household w/ Service | 2.0 | |
| Deactivated: Units Available for Recovery | 53,583 | |



| Service: Units Available for Recovery | 4,347 |
|---------------------------------------|---------------|
| Total Units Available for Recovery | 57,930 |
| Total Units Recovered | 66,255 (114%) |
| Total Units Refurbished/Redeployed | 48,148 (83%) |
| Total Units Recycled | 18,107 (31%) |

Total units available for recovery is the sum of the number of STBs available for recovery from customers due to service terminations, known as "deactivations" and the number of STBs that are recovered for repair, known as "service". The Recovery rate is defined as the total number of units recovered divided by the total number of STBs available for recovery. STBs actively providing TV services to customers at home are not included in the recovery rate calculation.

9. Annual Report

Bell MTS will provide an annual report to Manitoba Sustainable Development within 90 days of each fiscal year, and the report will be publicly available on our website. We will provide the following information in this annual report:

- Educational materials and strategies
- Collection and processing facilities
- Reducing environmental impacts
- Consistency with the principles of Pollution Prevention and the 4Rs Hierarchy
- Recovery Rate

Bell MTS does not produce any financial statements related to this EESP and we are unable to separate and track expenses for this program. Since the reuse and recycling processes are closely integrated into our normal business operations related to providing TV service to our customers, there is no feasible way to differentiate these expenses. Also, since there are no environmental handling fees (EHFs) collected from customers, there is no revenue received that is attributable to the EESP for reporting purposes.

10. Conclusion

Bell MTS delivers TV services to over 100,000 customers in Manitoba. To support this service, Bell MTS has voluntarily operated its EESP for the collection, refurbishment, reuse, and recycling of STBs and accessories. This program is exemplary of a circular economy and aids to divert electronic waste from landfill by refurbishing and reusing equipment wherever possible. The Bell MTS EESP has been very successful and has resulted in recovery rates of over 80%.

Our retail store representatives, customer service agents, and technicians ensure that our customers are aware of the obligation to return STBs and accessories at the end of their service, and have developed tools and resources to help guide our customers through the return process. Moving forward Bell MTS will continue to explore opportunities to improve customer education and awareness of our STB rental model.

Bell MTS purchases quality STBs and accessories that have a long working life. These STBs are remotely upgraded and easily repaired to help minimize environmental impacts throughout their life cycle. At end-of-life, STBs and accessories are responsibly recycled by our certified recycler to capture valuable resources and minimize waste going to landfill.

Bell MTS also purchases quality STBs and accessories that are energy efficient. We participate in the Canadian Energy Efficiency Voluntary Agreement (CEEVA) for Set Top Boxes (STBs) which aims to complement the ENERGY STAR program in Canada. Through this voluntary agreement, we are aiming to improve the energy efficiency of STBs in accordance with the agreement's standards.

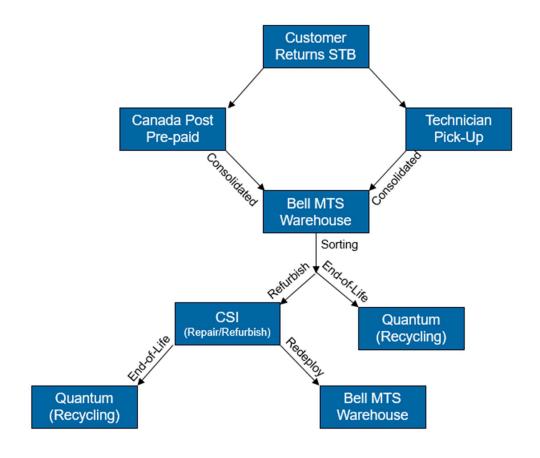
Our stewardship programs have evolved over time, and continue to do so, in order to meet new industry best practices and regulatory requirements. As part of Bell's company-wide initiative to transition to a circular economy, Bell MTS will continue to seek out ways to ehance our program and further minimize environmental impacts wherever possible.

We are confident that this EESP is aligned with Manitoba's goals to manage e-waste in an environmentally and socially responsible manner. We look forward to receiving the Minister's approval so we can continue to operate our STB EESP in the province of Manitoba.



<u>Appendix A</u>

Process for Recovery, Refurbishment, Reuse, and Recycling of STBs





Appendix B

Information on Bell MTS Website for Returning Equipment

BellMTS Shop Support My Accounts Search bellmts.ca Q

What you need to know if you cancel your Bell MTS services

It's not too late for you to explore our new plans to find a better fit with our Bell MTS services. Please call a member of our team to talk about your options at 204 225-5687 for Residential or 204 225-4249 for Business. Let us see what we can do for you. We hope you will reconsider, but if you would still like to cancel your services, please review the information below to complete your cancellation.

+ Expand All - Collapse Al

+ Final Bill

How to return your Bell MTS equipment

After you contact Bell MTS to arrange disconnection of your service, your Bell MTS equipment, such as TV receivers or modems, will need to be returned to Bell MTS via Canada Post. If you don't return your equipment or the equipment is damaged, Bell MTS may charge you an equipment non-return fee.

Equipment can be shipped back to Bell MTS via Canada Post.

Return all equipment associated with your Bell MTS service including:

- TV: set-top box(es), the Video Access Point if you have a wireless set-top box, modem, remote(s) and power supply cord(s).
- ▶ Internet: modem, cables/power supply cord(s) and Wi-Fi extender(s).
- ▶ Phone: handset and power supply cord(s).

Return Label Options

Generate label and print later - Email Instructions - Residential

You will receive an email with the following instructions:

- 1. Place the equipment with associated remote(s) and cable(s) (if applicable) in suitable packaging of your choice so the equipment can be shipped safely (a box is recommended).
- 2. Click here to access Canada Post Website and enter the Return ID Number: PR291562
- 3. Follow the onscreen instructions and use Reference Number: (provided in email)
- 4. Click on "Email this label" to receive an email with a QR code. Bring this QR code at any Canada Post office and they will print the shipping label for you.





Appendix C

Automated email instructions for equipment return



Dear Customer Name,

Thank you for contacting us about returning your Bell MTS equipment. We ask that you return this equipment as soon as possible to avoid a non-return fee. If you have been charged a non-return fee, you will be credited once the equipment has been returned.

Details

Personal information:

Name: Customer Name
Account Number: *****0123
Email: example@mymts.net

Returning equipment:

Please return all equipment associated with your Bell MTS service including:

- TV: set-top box(es), the Video Access Point if you have a wireless set-top box, modem, remotes and power supply cord(s).
- Internet: Modem, cables/power supply cord(s) and Wi-Fi extender(s) or Wi-Fi Pods.
- Phone: handset and power supply cords.

Steps to follow:

To return your equipment, please follow these steps:

- 1 Place the equipment with associated remote(s) and cable(s) (if applicable) in suitable packaging of your choice so the equipment can be shipped safely (a box is recommended).
- Click here to access Canada Post Website and enter the Return ID Number: PR291562
- Follow the onscreen instructions and use Reference Number: 01-01234456
- Print the label, and affix it to the outside of the package(s). Drop off the package(s) at any Canada Post office.
- Keep the tracking number as proof of shipping. The tracking number will be included in the Canada Post email you received and on the receipt provided when you drop off the package(s). Bell MTS will cover the shipping charges.

Thank you in advance for your cooperation. If you require further assistance, please call us at 1 800 883-2054.

This email was sent to example@mymts.net

Corporate Secretary's Office of Bell Canada, Bell Satellite TV (Bell ExpressVu), Bell Mobility, Bell Media and Bell Aliant. 1 carrefour Alexander-Graham-Bell, Building A-7, Verdun, Québec H3E 3B3

Bellmts.ca MyAccount Support

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Dear Customer Name,

Thank you for contacting us about returning your Bell MTS equipment. We ask that you return this equipment as soon as possible to avoid a non-return fee. If you have been charged a non-return fee, you will be credited once the equipment has been returned.

Details

Personal information:

Name: Customer Name
Account Number: *****0123
Email: example@mymts.net

Returning equipment:

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- Internet: Modem, cables/power supply cord(s) and Wi-Fi extender(s) or Wi-Fi Pods.
- · Phone: handset and power supply cords.

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- Click on "Email this label" to receive an email with a QR code. Bring this QR code to any Canada Post office and they will print the shipping label for you.
- Keep the tracking number as proof of shipping. The tracking number will be included in the Canada Post email you received and on the receipt provided when you drop off the package(s). Bell MTS will cover the shipping charges.

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Bellmts.ca MyAccount Support

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Appendix D

Canada Post Pre-Paid Waybill





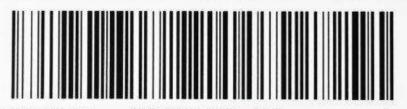
Xpresspost[™]

TO: / A:

BELL MTS 1750 MCGILLIVRAY BLVD WINNIPEG MB R3Y 1P4

R3Y 1P4

SIGNATURE



TRACKING NUMBER

4353 1665 9877 4935

N° DE REPÉRAGE

Sender warrants that this item does not contain non-mailable matter. L'expéditeur garantit que cet envol ne contient pas d'objet inadmissible.

FROM: / DE:

JOHN CUSTOMIER 45 REAL AVE W WINNIPEG MB R4G2L2

EST-D/06E-D V1797 1 260 SPEC 3696 V1

P/F: 1022318

PIN | NIP 4353 1665 9877 4935 Ref. Ref. 1:1-14527499701



Appendix E

Bell MTS Certified Recycler Information

Recycler Name

Quantum Lifecycle Partners LP

Recycler Head Office Address

Quantum Lifecycle Partners LP 700 Ormont Drive Toronto, ON M9L 2V4 Canada

Recycling Facility Address

Quantum Lifecycle Partners LP 220 John Street Barrie, ON L4N 2L2 Canada

Recycler Certifications

ISO 90001:2015 ISO 14001:2015 ISO 45001:2018 R2:2013 ERS 2010 ERS 2015 EPRA RQO



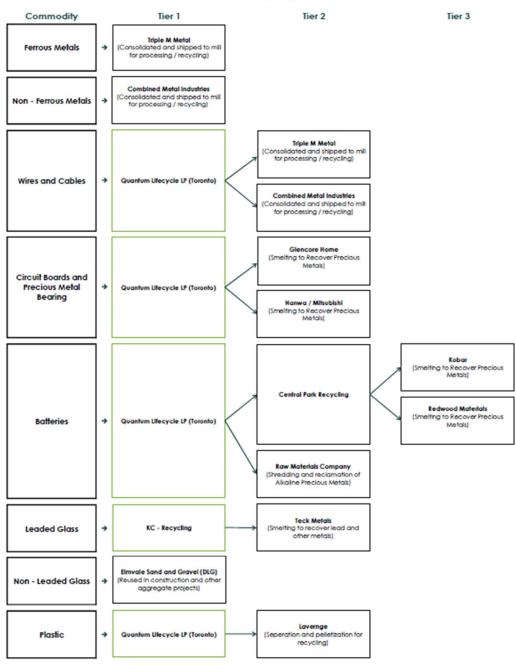
Appendix F

Recycler Downstream Material Flow

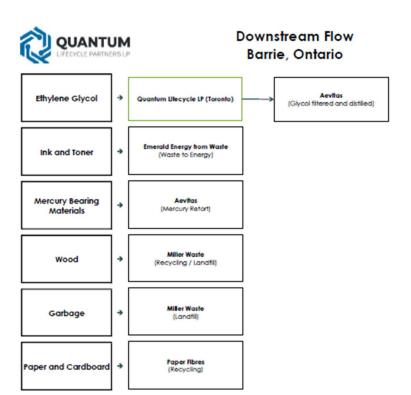


Downstream Flow Barrie, Ontario

Manual dismanifing of electronics to remove substances of concern and visually separate identifiable commodifies. Focus Materials and other hazards are removed and seperated prior to shredding.



Last Update: March 18, 2022



"cells bordered in green are R2 certified"



Appendix G

Bell MTS Instruction Sheet for STB Return/Swap for Defective STB



Important information regarding your Bell MTS equipment return.

Please find instructions below on how to return all non-required equipment associated with your Bell MTS service(s). We ask that you return this equipment within 10 days to avoid a non-return fee.

Please return all equipment associated with your Bell MTS service including:

- TV: set-top box(es), the Video Access Point if you have a wireless set-top box, modem, remote(s) and power supply cord(s)
- · Internet: modem, cables/power supply cord(s) and Wi-Fi extender(s)
- · Phone: handset and power supply cord(s)

To return your equipment, please follow these steps:

- Place the equipment with associated remote(s) and cable(s) (if applicable) in a box. Bubble wrap
 is recommended so the equipment can be shipped safely.
- 2. Affix the enclosed postage-paid return address label to the outside of the package(s).
- 3. Bring your boxed equipment to any Canada Post office.
- Record the tracking number (sample below) for your records as proof of shipping. Bell MTS will cover the shipping charges.



If you have any questions about returning your equipment please call 204 225-5687, for Business please call 204 225-4249, or visit bellmts.ca/equipmentreturn for more information.

Thank you in advance for your cooperation.

Sincerely,

Bell MTS



Appendix H

Bell MTS Instruction Sheet for STB Return for Disconnection of Service



Important information regarding your Bell MTS equipment return.

Please find instructions below on how to return the equipment associated with your Bell MTS service(s). We ask that you return all rented equipment within 10 days. If we do not receive your equipment after 10 days, a non-return fee will be applied to your account. Complete this return promptly to avoid these fees and any negative credit impact.

Please return all equipment associated with your Bell MTS service including:

- TV: set-top box(es), the Video Access Point if you have a wireless set-top box, modem, remote(s) and power supply cord(s)
- Internet: modem, cables/power supply cord(s) and Wi-Fi extender(s)
- · Phone: handset and power supply cord(s)

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If you have any questions about returning your equipment or your service cancellation, please call 204 225-5687, for Business please call 204 225-4249, or visit bellmts.ca/equipmentreturn for more information.

Thank you in advance for your cooperation.

Sincerely,

Bell MTS

